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DOMINION OF CANADA

TWENTY-THIRD REPORT

OF THE

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

FOR THE YEAR ENDING DECEMBER 31 1927



OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
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THE BOARD OF RAILWAY COMMISSIONERS FOR CANADA

Hon. H. A. McKeown, K.C., Chief Commissioner.

S. J. McLean, M.A., LL.B., Ph.D., Assistant Chief Commissioner.

THOS. VIEN, K.C., Deputy Chief Commissioner.

A. C. Boyce, K.C., Commissioner.

C. Lawrence, Commissioner.

Hon. Frank Oliver, Commissioner.

A. D. CARTWRIGHT, Secretary.

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REPORT

OF THE

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

To the Governor in Council:

Pursuant to the provisions of section 31 of the Railway Act, 1919, the Board of Railway Commissioners for Canada has the honour to submit its Twenty-

third Report for the year ending December 31, 1927.

Since the publication of the last report there have been no amendments made to the Railway Act, 1919, but Parliament passed the following Act, cited as "The Maritime Freight Rates Act, 1927," assented to the 14th April, 1927, providing inter alia for the cancellation of tariffs and substitution of tariffs reduced by 20 per cent on preferred movements, as set out in the Act.

17 GEORGE V.

Снар. 44

An Act respecting the Canadian National Railways and the tariffs of tolls to be charged on certain Eastern lines.

[Assented to 14th April, 1927.]

Whereas the Royal Commission on Maritime claims by its report, Preamble. dated September 23rd, 1926, has, in effect, advised that a balanced study of the events and pronouncements prior to Confederation, and at its consummation, and of the lower level of rates which prevailed on the Intercolonial system prior to 1912, has in its opinion, confirmed the representations submitted to the Commission on behalf of the Maritime Provinces, namely, that the Intercolonial Railway was designed, among other things, to give to Canada in times of national and imperial need an outlet and inlet on the Atlantic Ocean, and to afford to Maritime merchants, traders and manufacturers the larger market of the whole Canadian people instead of the restricted market of the Maritimes themselves, also that strategic considerations determined a longer route than was actually necessary, and therefore that to the extent that commercial considerations were subordinated to national, imperial and strategic conditions the cost of the railway should be borne by the Dominion, and not by the traffic which might pass over the line; And whereas the Commission has, in such report, made certain recommendations respecting transportation and freight rates, for the purpose of removing a burden imposed upon the trade and commerce of such Provinces since 1912, which, the Commission finds, in view of the pronouncements and obligations undertaken at Confederation, it was never intended such commerce should bear; And whereas it is expedient that effect should be given to such recommendations, in so far as it is reasonably possible so to do without disturbing unduly the general rate structure in Canada: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:-

1. This Act may be cited as The Maritime Freight Rates Act, Short title. 1927.

5

Eastern lines.

Cancellation

of tariffs and

substitution

on preferred movements.

of tariffs

by 20%

Powers

of Board.

To approve

cancellation

substituted

tariffs.

Maintain

substituted

general level

of 20% below existing

- 2. For the purposes of this Act the lines of railway now operated as a part of the Canadian National Railways and situated within the Provinces of New Brunswick, Nova Scotia and Prince Edward Island, and the lines of railway, similarly operated, in the Province of Quebec extending from the southern provincial boundary near Matapedia and near Courchesne to Diamond Junction and Levis are collectively designated as the "Eastern lines."
- 3. (1) All persons or companies controlling, or concerned in the preparation and issue of tariffs of tolls to be charged in respect of the movements of freight traffic, whether on behalf of His Majesty or otherwise, upon or over the Eastern lines specified in section four of this Act, and hereinafter called "preferred movements," are hereby authorized and directed upon and after the first day of July, 1927, to—

(a) Cancel all existing freight tariffs in respect of such preferred

movements;

- (b) Substitute other tariffs for the tariffs so cancelled showing a reduction in such tariffs of approximately twenty per cent; and the Board of Railway Commissioners, hereinafter called the Board, is authorized and directed to—
 - (c) Approve such cancellations, and, subject to the provisions of The Railway Act, 1919 (hereinafter called "the Railway Act"), respecting tariffs of tolls for the carriage of freight, where not inconsistent with this Act, to approve all tariffs of tolls so substituted;
 - (d) Maintain or cause to be maintained such substituted tariffs (subject to all provisions of the Railway Act respecting tariffs of tolls not inconsistent with this Act) on the general rate level of approximately twenty per cent below the tolls or rates existing on the first day of July, 1927, while the cost of railway operation in Canada remains approximately the same as at the date of this Act, but the Board may allow the increase or reduction of such tolls or tariffs from time to time to meet increases or reductions, as the case may be, in such cost of operations;
 - (e) Adjust or vary such substituted tolls or rates from time to time as new industrial or traffic conditions arise, but always in conformity with the intent of this Act as outlined in the preamble to this Act and expressed in sections seven and eight and other relative sections hereof.
 - (2) Since questions may arise whether substituted tariffs prepared and submitted to the Board are consistent or not consistent with this Act, it is declared that the finding of the Board that any tariff so substituted and approved is inconsistent shall take effect only upon such finding, and the tariff in question shall be deemed to be the lawful tariff until disallowed by the Board as inconsistent, and until a proper substituted tariff satisfactory to the Board is filed and approved.

Adjust or vary tariffs. Substituted tariffs to continue until declared by Board to be inconsistent with this Act, and proper tariffs

Preferred movements.

Local traffic all rail.

- 4. (1) The following are preferred movements as referred to in section three and other sections of this Act:—
 - (a) Local traffic, all rail—Between points on the Eastern lines; for example, Sydney to Newcastle.

(b) Traffic moving outward, westbound, all rail—From points Traffic on the Eastern lines westbound to points in Canada beyond moving outward. the limit of the Eastern lines at Diamond Junction or Levis; westbound, for example, Moncton to Montreal—the twenty per cent all rail. reduction shall be based upon the Eastern lines proportion of the through rate or in this example upon the rate applicable from Moncton west as far as Diamond Junction or

(c) Traffic moving outward, export traffic, rail and sea—From Traffic points on the Eastern lines through ocean ports on the East-moving ern lines destined overseas; for example, Fredericton to export Liverpool via St. John—the rate affected shall be that traffic, applicable from Fredericton to St. John.

(2) Traffic moving over the car ferries shall be treated as all car ferries. rail traffic.

5. For greater clearness, but without intending to enlarge by Movements any omission the scope of section four of this Act, it is declared that preferred. the following are not preferred movements:-

(a) Traffic moving inward or outward to or from the United To or from States, all rail—From or to points in the United States to U.S., or from points on the Eastern lines.

(b) Traffic moving inward, eastbound, from Canada, all rail-Inward from From points in Canada not on the Eastern lines eastbound Canada, eastbound, eastbound, to points on the Eastern lines; for example—Toronto to all rail.

(c) Import traffic to Canada, originating at points overseas; for Imports to example, Liverpool to Moncton or to Toronto.

(d) Passenger movements and express movements.

from points overseas.

6. For accounting purposes, but without affecting the manage- and express. ment and operation of any of the Eastern lines, the revenues and expenses of the Eastern lines (including the reductions herein authorized which shall be borne by the Eastern lines) shall be kept sepa- separate rately from all other accounts respecting the construction, operation accounts or management of the Canadian National Railways. In the event of any deficit occurring in any Railway fiscal year in respect of the Eastern lines the amount of such deficit shall be included in a sepa- Deficits to rate item in the estimates submitted to Parliament for or on behalf be included of the Canadian National Railways at the first session of Parliament in separate following the close of such fiscal year.

7. The rates specified in the tariffs of tolls, in this Act provided Rates are for, in respect of preferred movements, shall be deemed to be statutory rates, not based on any principle of fair return to the railway rates. for services rendered in the carriage of traffic. No argument shall accordingly be made, nor considered in respect of the reasonableness of such rates with regard to other rates, nor of other rates having regard to the rates authorized by this Act.

8. The purpose of this Act is to give certain statutory advan- Purpose of tages in rates to persons and industries in the three Provinces of New statutory Brunswick, Nova Scotia and Prince Edward Island, and in addition advantages upon the lines in the Province of Quebec mentioned in section two in select (together hereinafter called "select territory"), accordingly the Board shall not approve nor allow any tariffs which may destroy or prejudicially affect such advantages in favour of persons or industries located elsewhere than in such select territory.

Other Companies may make competing tariffs. 9. (1) Other companies owning or operating lines of railway in or extending into the select territory may file with the Board tariffs of tells respecting freight movements similar to the preferred movements, meeting the statutory rates referred to in section seven of this Act. The Board, subject to all the provisions of the Railway Act respecting tariff of tells, not inconsistent with this Act, shall approve the tariffs of tells filed under this section.

Sections 3 (2) and 7 and 8 to apply. (2) The provisions of subsection two of section three and of sections seven and eight of this Act shall apply to the tariffs of tolls filed under this section.

Board to certify normal tolls, and difference between tariff and normal tolls. (3) The Board on approving any tariff under this section shall certify the normal tolls which but for this Act would have been effective and shall, in the case of each company, at the end of each calendar year promptly ascertain and certify to the Minister of Railways and Canals the amount of the difference between the tariff tolls and the normal tolls above referred to on all traffic moved by the company during such year under the tariff so approved. The company shall be entitled to payment of the amount of the difference so certified, and the Minister of Railways and Canals shall submit such amount to Parliament if then in session (or if not, then at the first session following the end of such calendar year) as an item of the estimates of the Department of Railways and Canals.

Difference to be paid and included in estimates.

(4) The Board shall, in every third year and at any time upon the request of the Governor in Council, ascertain and certify to the Minister of Railways and Canals whether under the provisions of the Railway Act, the normal tolls referred to in subsection three hereof, should be revised and in the event of such revision the revised normal tolls shall thereafter be used instead of the normal tolls referred to in the said subsection in calculating the difference to be paid to the Company thereunder.

Revision of normal tolls.

10. Other lines of railway from time to time operated within the select territory as part of the Canadian National Railways may be included within the Eastern lines as designated in section two of this Act and made subject to this Act by an Order or Orders of the Governor in Council; and any lines designated as Eastern lines may upon such lines ceasing to be operated as a part of the Canadian National Railways, be from time to time withdrawn from such designation of Eastern lines by similar Order or Orders. The Governor in Council is hereby authorized at any time or times at discretion to pass any Order in Council for the purposes and with the effect mentioned in this section.

Certain other lines of railway may be included within Eastern lines, or

therefrom.

11. The Board may hear and determine all questions arising under this Act subject to such rights of appeal as are provided in the Railway Act.

Board to decide questions, subject to appeals.

12. The interpretation clauses of the Railway Act shall apply to all words or expressions used in this Act.

Interpretation.

PUBLIC SITTINGS OF THE BOARD

During the year covered by the period from January 1, 1927, to December 31, 1927, the Board held 41 public sittings at which 242 applications were heard. The number of public sittings held in the various provinces were as follows:—

Provinces	Number
Ontario	26
Quebec	5
Manitoba	2
Saskatchewan	2
Alberta	2
British Columbia	9
Nova Scotia	Ð
New Brunswick.	
Dring Edward Island	
Prince Edward Island	
Total	4.1
1000	41

The applications include a great variety of matters falling within the jurisdiction of the Board under the Railway Act, varying from the complaint of a private individual to weightier matters of general public interest affecting the community as a whole.

FORMAL AND INFORMAL MATTERS

The number of informal matters dealt with by the Board as distinguished from matters heard at public sittings, constitute a considerable percentage of the total applications and complaints dealt with by it; that is to say, of a total of 2,910 applications and complaints received and dealt with by the Board 91 per cent were disposed of without the necessity of such formal hearing. These informal complaints, dealt with and settled without the necessity of hearing, entail in many instances a considerable amount of inquiry and consideration on the part of the Board's officials, and cover a wide range of subjects, as, for example, a complaint of a more or less trivial nature to a matter of general public interest affecting the community as a whole, or involving the application of some general principle, regarding the railway rates.

RAILWAY GRADE CROSSING FUND

In accordance with the provisions of subsection (5) of section 262 of the Railway Act, 1919, provision was made that the sum of \$200,000 each year, for ten consecutive years from the 1st day of April, 1919, be appropriated and set apart from the consolidated revenue fund for the purpose of aiding actual construction work for the protection, safety and convenience of the public in respect of highway crossings of railways at rail level, in existence on the 1st day of April, 1909, the said sums to be placed to the credit of a special account to be known as "The Railway Grade Crossing Fund", to be applied by the Board, subject to certain limitations set out in the Act, solely towards the cost (not including that of maintenance and operation) of actual construction work for the purpose specified.

In dealing with such crossings, the Board issued, between the 1st day of April, 1909, and the 31st day of December, 1927, 758 orders, providing protec-

tion for 854 crossings, as follows:--

By automatic interlocking plants (street railway protection)	11
By closing crossings	72
By diversion highways	86
By diversion to bridge	4
By diversion and double bell and wigwag	1
By diversion to improve view	1
By diversion to right angle crossing	2
By diversion and removal view obstructions	1

Ву	diversion to subway	2
	electric bells	274
By	electric bell and flashlight	2
By	electric bell and removal view obstruction	2
Bv	electric bell and wigwag	159
By	electric bell and wigwag and removal view obstruction	6
By	easing curve on approach to highway bridge	1
By	gates	123
By	gates and half interlocker	1
By	grade reduction	1
By	overhead bridges	35
By	removal view obstructions	48
By	removal view obstructions and reducing grade	2
131.	shelter	1
By	subways	82
By	subways. towers	3
	Window	17

It will be seen by comparing the total number of crossings protected with the twenty-second annual report of the Board that the increase for the twelve months ending December 31, 1927, in the number of crossings protected number 92, made up as follows:—

By closing crossings	19
By diversion highways	13
By diversion to bridge	1
By diversion to right angle crossing.	2
By diversion to subway	1
By electric bells.	2
By electric bell and flashlight.	1
By electric bell and wigwag.	42
By electric bell and wigwag and removal view obstruction	1
By gates	1
By grade reduction	1
By overnead bridge	4
By removal view obstructions.	7
By removal view obstructions and reducing grade	1
By subways.	14

Note.—Ninety-two crossings and 110 protections consequent on account of 12 diversions closing 19 crossings and double bell and wigwag at 6 crossings.

It will be noted that under the amendment to the Railway Act, chapter 14, 16-17 George V, the total amount of money to be apportioned and directed and ordered by the Board to be payable from the annual appropriation shall not, in the case of any one crossing, exceed 40 per cent of the cost of the actual construction work in providing such protection, and shall not, in any such case, exceed the sum of twenty-five thousand dollars, and no such money shall in any one year be applied to more than six crossings on any one railway in any one municipality, or more than once a year to any one crossing.

Subsection (3) of section 262 of the Consolidated Railway Act provides that in case any province contributes towards the said fund, the Board may apportion, direct and order payment out of the amount so contributed by such province, subject to any conditions and restrictions made and imposed by such

province in respect of its contribution.

GENERAL ORDERS

The following is a brief summary of some of the matters dealt with under the Board's General Orders:—

General Order No. 437, directing the amendment of the General Train and Interlocking Rules, approved by the Board's General Order No. 42, dated July 12, 1909, by striking out rules 19 and D-19 thereof and substituting the following, namely:—

19. The following signals will be displayed, one on each side of the rear of every train, as markers to indicate the rear of the train; by day, marker lamps not lighted; by night, green lights to the front and side, and red lights to the rear, except when the train is clear of the main track, when green lights must be displayed to the front, side, and rear.

D-19. The following signals will be displayed, one on each side of the rear of every train, as markers to indicate rear of train: by day, marker lamps not lighted; by night, to the front and side, green lights; by night, to the rear, if the train is running with the current of traffic, red lights; if standing on passing track, clear of main track, green lights; if running against the current of traffic, a green light on the inside and a red light on the opposite side. The lights displayed to the rear must be changed from green to red before a train fouls the main track when leaving a passing track, or returns to the main track with the current of traffic.

General Order No. 438, providing for the amendment of the Board's General Order No. 394, dated February 8, 1924, by striking out the amendment to clause 18, on page 2 thereof, and substituting the amendments set out in the order relating to the method of testing flexible staybolts with caps.

General Order No. 439, directing that all railway companies subject to the jurisdiction of the Board be authorized to make an additional charge of 10 per cent for supervision and overhead expenses in connection with the protection

required by the Board to be provided at highway crossings.

General Order No. 440, in the matter of the complaint of the Canadian Lumbermen's Association, and others, regarding the proposed change in the rule governing out of line haul charge in transit tariffs. Direction that in Canadian National Railway tariffs as set out in the order, as well as all other tariffs filed with the Board by railway companies subject to its jurisdiction, that the rules contained therein which provide that the out of line haul will be the difference between the distance via the shortest route from point of origin to final destination, and the shortest distance from point of origin to final destination, and the shortest distance from point of origin to final destination, be disallowed, and that Order No. 37681, dated May 29, 1926, be rescinded.

General Order No. 441, dealing with the consideration of the question of proposed regulations governing the location of loading racks and unloading points for gasolene, naphtha, or any inflammable liquid with flash point below 30° F

General Order No. 442, dealing with the matter of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, prescribed and approved by General Orders Nos. 203, 204, and 206, dated August 11, and September 7, 1917, and of the application of the Canadian Explosives, Limited, for permission to use a certain type of container originally imported from Great Britain, for the carriage of black powder from the applicant's plant. Direction that paragraph No. 1534, on page 10 of the Regulations for the Transportation of Explosives, be amended as set out in said order.

General Order No. 444, directing the amendment of the Board's General Order No. 151, date November 8, 1915, prescribing the regulations governing baggage car traffic for the observance of every railway within the legislative authority of the Parliament of Canada, by striking out subsection (a) of rule 5 and substituting rule 5 as therein set out; also dealing with the regulations relating to the carriage of dogs and small household pets, and miscellaneous

articles.

General Order No. 445, amending the Board's General Order No. 78, dated July 14, 1911, by directing that the time within which the railway companies subject to the jurisdiction of the Board may equip their locomotives with water glass guards, of aluminum or brass metal, as required by General Order No. 389, be extended until January 1, 1928

General Order No. 446, amending the Board's General Order No. 3, dated July 3, 1907, as amended by the Board's General Order No. 10, dated May 5, 1908, by striking out clause 2 and substituting in lieu thereof the following

namely:-

2. That every railway company have the said fire extinguishers inspected and recharged once in every three months, except in the case of fire extinguishers having the valve and

handle scaled, which shall be inspected to see that the seals are intact and that there is no sign of leakage or other defect, after each trip. In the event of a broken seal, a leakage, or other defect being found, the extinguisher must be withdrawn from service, thoroughly tested, repaired if necessary, and recharged before being returned to service; cause records of such inspections to be kept by the foreman in charge of the passenger coaches at the different terminals where inspections are made; such records to be open for examination by the Board's inspector when required.

General Order No. 447, dealing with the regulations covering the navigation through or under, or the lighting of, bridges over navigable waters and canals of Canada approved by Order in Council P.C. 2060, dated October 12, 1923, and directing that the regulations covering such navigation be approved as therein set out.

General Order No. 448, in connection with Order in Council P.C. 886, dated June 5, 1925, requiring the Board to make a full and complete investigation into the whole subject of railway freight rates in the Dominion of Canada, and

fixing rates on grain and flour as therein set forth.

General Order No. 449, dealing with the question of the uniform code of regulations governing the testing of hearing and eyesight of railway employees required to take such tests; and of the Board's General Order No. 94, dated July 24, 1912, and directing that the railway companies subject to the jurisdiction of the Board adopt and put into force, not later than December 1, 1927, the rules set forth in the schedule attached to said order under the heading "Uniform Rules Governing the Determination of Visual Acuity, Colour Perception, and Hearing of Railway Employees": and rescinding the Board's General Order No. 94, and General Orders Nos. 103, 240, 378, and 387.

General Order No. 451, dealing with the question of lowering crossing signs so that they may be more readily illuminated by the lights of approaching motor cars and, therefore, more readily visible; and directing that the Standard Regulations of the Board Affecting Highway Crossing Signs, as amended May 4,

1910, be amended by adding section 10, as set out in said order.

General Order No. 453, declaring that hay billed to Canadian ports for feeding cattle on ocean steamers should be accorded the same car demurrage

regulations as provided for export traffic.

General Order No. 455, providing that paragraph 1836 (c) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight be struck out and the clause set out in said order substituted therefor, dealing with the construction of wirebound boxes for the transportation of matches, as prescribed by the Board's General Orders Nos. 203, 204, and 206.

GENERAL DECISIONS AND RULINGS OF THE BOARD

Submitted herewith, epitomized, are some of the more important matters dealt with by the Board at its public sittings for the year ending December 31, 1927. For other principal judgments of the Board see appendix "A" to this report.

CANADIAN LUMBERMEN'S ASSOCIATION et al v. CANADIAN NATIONAL AND CANADIAN
PACIFIC RAILWAY COMPANIES

Tariff—Stop-off Privilege Direct Run—Out of Line Haul

The justification for a charge for an out of line haul is the performance by a carrier of an additional service beyond that which is included when the stop off point is on the direct run: the direct run being the route over which the traffic moves. Where the stop off point is on the route over which the traffic moves between point of origin and final destination, there is no justification for the charge. On the movement of lumber from Pembroke to Toronto via Ottawa and stopped off in Ottawa for dressing, etc., Ottawa is not off the direct run and the carrier is therefore not entitled to any additional charge, although there exist two shorter routes between Pembroke and Toronto.

(Pembroke Case, 31 C.R.C. 344 cited; Rea-Patterson Milling Co. v. M.K.

& T. Ry. Co., Unrep. Op. A653 (I.C.C.), followed.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated March 31, 1927, concurred in by the Deputy Chief Commissioner and Mr. Commissioners Boyce and Oliver. C.R.C., vol. 33, p. 1.

CITY OF SHERBROOKE V. CANADIAN PACIFIC RAILWAY COMPANY

Highway Crossing—Pedestrian—User—Public Convenience—Undertaking of Municipality—Cost

On an application by a municipality to require a railway company to open and maintain a crossing at a point where the public had crossed the railway for thirty years, breaking down the railway fences repeatedly for the purpose, the Board took into consideration the convenience of the public and the undertaking of the council of the municipality to assume responsibility for the acts or negligence of its own citizens and to close the crossing if it proved to be dangerous and ordered a pedestrian crossing at the expense of the municipality.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated June 27, 1927, concurred in by Mr. Commissioners Boyce and

Lawrence. C.R.C., vol. 33, p. 35.

CANADIAN NATIONAL RAILWAYS V. MONTREAL TRAMWAYS

Highway Crossing—Railway—Tramway—Agreement—Cost of Additional Protection

Where by the terms of an agreement made in 1899 between the Montreal Tramways Company and the Grand Trunk Railway Company a monthly payment of \$100 was accepted in full of all obligations of the Tramway Company towards the railway company in respect of certain crossings (Guy street, etc.) or of any order made or to be made by the Railway Committee of the Privy Council, the Board ordered that the additional protection required at the crossing be furnished at the expense of the railway company.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated June 2, 1927, concurred in by Mr. Commissioners Boyce and

Lawrence. C.R.C., vol. 33, p. 32.

CITY OF MONTREAL V. CANADIAN NATIONAL RAILWAYS

Highway Crossed by Railway—Widening—Protection—Apportionment of Cost

When a highway (which is senior) is widened at a railway crossing, the whole cost of construction will be at the expense of the applicant, the cost of maintenance of the gates and highway within the right of way will be divided equally between the municipality and the railway and the cost of operation will continue to be at the expense of the Railway Company.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated June 1, 1927, concurred in by Mr. Commissioners Boyce and

Lawrence. C.R.C., vol. 33, p. 29.

LEDUC V. CANADIAN PACIFIC RAILWAY COMPANY

Bridge—Private—Agreement—Removal—Reconstruction—Highway Bridge
The Board refused to order a private bridge built over the railway under
contract with the land owner and subsequently removed, to be reconstructed
and used as a highway bridge.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated June 6, 1927, concurred in by Mr. Commissioners Boyce and Lawrence. C.R.C., vol. 33, p. 24.

Re FREIGHT RATES INVESTIGATION

Jurisdiction—Commissioner—Failure to Attend Sittings—Evidence—Disqualification-Railway Act, 1919, Section 12 (2)

Whether a commissioner who has failed to attend a number of meetings at which evidence has been taken upon an application before the Board is thereby disqualified from giving judgment on that application is a question of law on which the opinion of the Chief Commissioner shall prevail under section 12 (2) of the Railway Act, 1919.

Held, per Chief Commissioner, that as a matter of law, a commissioner is

not so disqualified.

The facts are fully set out in the judgment of the Chief Commissioner, dated June 21, 1927, C.R.C., vol. 33, p. 19.

ST. BRIGID'S PARISH, IBERVILLE COUNTY, P.Q., V, CANADIAN NATIONAL RAILWAYS

Train Service—Discontinuance—Special Act—Resumption of Service— Jurisdiction of Board

Under the Railway Act, a railway company can discontinue operating a line of railway, unless the special Act of incorporation provides otherwise. The Board has no jurisdiction to compel a company to resume operations, even if the public are injuriously affected by reason of the discontinuance.

(Rossland Board of Trade v. G.N. Ry. Co. 28 C.R.C. 24.)

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated June 8, 1927, concurred in by Mr. Commissioners Boyce and Lawrence. C.R.C., vol. 33, p. 15.

MULDOON et al v. CANADIAN PACIFIC RAILWAY COMPANY

Flag Stations—Distances Apart—Highway Disadvantages

It is not the function of railway companies to equalize highway disadvantages by establishing stations. In the West a distance of seven miles and in the East from five to seven miles between stations is not unreasonable.

The Board refused to order a flag station to be established half way between

two flag stations only four miles apart.

(Hartin v. C.N.R., 21 C.R.C. 437, Kelly v. G.T.R., 24 C.R.C. 367, followed.) The facts are fully set out in the ruling of the Board, dated June 6, 1927.

APPEALS FROM RULINGS OF THE BOARD

There was one case carried in appeal to the Supreme Court during the year, namely, Appeal of the Canadian National Railway Company against the Board's Orders Nos. 39348, 39349 and 39542 in the matter of through rates via St. John and St. Rosalie gateways.

There were no cases carried in appeal to the Governor in Council during the

year.

ORDERS, GENERAL ORDERS AND CIRCULARS

The total number of orders issued for the year ending December 31, 1927, was 1.510. The number of general circulars issued by the Board, directed to all the railway companies subject to its jurisdiction, was 5. The general orders as distinguished from other orders of the Board are those affecting all railway companies subject to its jurisdiction, and are 19 in number for the year.

A list of the general orders and circulars for the year ending December 31,

1927, will be found compiled under appendix "G" to this report.

APPLICATIONS TO THE BOARD

The total number of applications, including informal complaints made to the Board, for the year ending December 31, 1927, was 2,910.

TRAFFIC DEPARTMENT OF THE BOARD

In the Traffic Department of the Board the number of tariffs received and filed for the year ending December 31, 1927, was as follows:—

Freight tariffs, including supplements	48,146
Passenger tariffs, including supplements	6,339
Express tariffs, including supplements	2,869
Telephone tariffs, including supplements	812
Sleeping and parlour car tariffs, including supplements	36
Telegraph tariffs and supplements	11
	58,213
_	

The total number of tariffs filed from February 1, 1904, to December 31, 1927, was 1,482,781.

The details of the tariffs will be found under appendix "B" to this report.

ENGINEERING DEPARTMENT OF THE BOARD

In the Engineering Department of the Board a large number of inspections were made covering the whole Dominion. These inspections for the year ending December 31, 1927, number 240, and cover inspections for the opening of a railway for the carriage of traffic, inspections of culverts, highway crossings, cattle guards, road crossings, bridges, subways and general inspections falling within the scope of the work of the Engineering Department.

Under appendix "C" will be found a detailed report of the Chief Engineer.

OPERATING DEPARTMENT OF THE BOARD

Under the work of this department is included the inspection of locomotive boilers and their appurtenances, the inspection of safety appliances on cars and locomotives, the investigations into accidents causing personal injury or loss of life, the reporting on the locations of stations, matters of protection at highway crossings, and train and station services performed by the railway companies.

Under appendix "D" will be found a full and detailed report of the Chief

Operating Officer of the department.

ACCIDENTS AND ACCIDENT INVESTIGATIONS

On reference to the report of the Board's Chief Operating Officer, it will be seen that accidents to the number of 2,862, covering 353 persons killed and 3,091 persons injured, were reported to the Board during the year ending December 31, 1927, as compared with 2,517 accidents reported during the year 1926, covering 429 persons killed and 2,620 persons injured.

The figures given show:-

(1) Thirteen passengers killed in the year 1926 and 13 passengers killed in the year 1927. The number of passengers injured in 1926 was 329, as compared with 382 in 1927; an increase of 53.

- (2) One hundred and thirty-two employees killed in the year 1926, and 101 in 1927; a decrease of 31. The number of employees injured in 1926 was 1,727, as compared with 2,051 in 1927; an increase of 324.
- (3) Two hundred and eighty-four others killed in the year 1926, and 239 in 1927; a decrease of 45. The number of others injured in 1926 was 564, as compared with 658 in 1927; an increase of 94.

It is pointed out that of the 239 others killed, 121 or 50 per cent were trespassers, and that of the 658 others injured 131 or 19 per cent were trespassers.

It will be noted that of what may be termed preventable loss, there were 121 persons killed under the heading "trespassers" and 131 injured. This is a decrease of 2 in the number of killed, and an increase of 18 in the injured, as compared with the year 1926.

The following table shows the total, by provinces, as regards trespassers killed and injured, during the year 1927:—

Province	Killed	Injured
Nova Scotia	4	3
New Brunswick.	2	5
Quebec	24	16
Ontario	50	51
Manitoba	6	16
Saskatchewan	14	13
Alberta	8	15
British Columbia.	13	12
Total	121	131

Attention is again directed to the statement setting out in detail the situation as regards highway crossing accidents during the past five years. It will be observed therefrom that there has been a total of 1,362 accidents, covering 462 persons killed and 1,797 injured.

Crossings protected by gates accounted for 25 killed and 82 injured. Crossings protected by bell accounted for 69 killed and 250 injured. Crossings protected by watchmen accounted for 3 killed and 50 injured.

Crossings unprotected accounted for 365 killed and 1,415 injured.

There have been 323 accidents at protected crossings, covering 97 persons killed and 382 injured. At unprotected crossings there have been 1,039 accidents, covering 365 persons killed and 1,415 injured.

During the year 1927 there were 314 highway crossing accidents investigated, of which number 64 occurred at protected crossings, leaving unprotected crossings to account for 250 accidents.

Automobile accidents totalled 263, divided as follows:—

, , , , , , , , , , , , , , , , , , , ,	
At crossings protected by gates. At crossings protected by watchmen. At crossings protected by bell. At crossings unprotected.	3 8 34 218
Horse and rig accidents numbered 24, made up as follows:—	
Gates	· · · · · · · · · · · · · · · · · · ·
Pedestrian accidents numbered 27, as follows:—	
Gates	12 1
Bell.	4

During the year 1927 there were 317 highway crossing accidents reported to the Board, covering 99 persons killed and 425 injured, as compared with 300 accidents reported in 1926, covering 120 persons killed and 370 injured.

accidents reported in 1926, covering 129 persons killed and 370 injured.

Full particulars of passengers and employees killed and injured, and other general inforation in regard to trespassers killed and injured, accidents at protected and unprotected crossings, etc., will be found under appendix "D."

FIRE INSPECTION DEPARTMENT OF THE BOARD

Thirty-four per cent of the steam railway mileage of Canada is classified as being in forested territory. On the remaining non-forested mileage, the fire-hazard is comparatively low, except in the prairie sections of the Prairie Provinces, where the hazard is neutralized by the construction of fire-guards by the railway companies, under the Board's regulations.

Special patrol by selected members of section crews is prescribed on 4,805 miles; special patrol by special men on velocipedes on 802 miles, and special patrol by special men on power speeders on 1,596 miles; total mileage subject

to some form of special patrol by railway forces, 7,203.

During the fire season of 1927 railways subject to the Board's jurisdiction were reported as having caused 399 fires in forested territory, which burned over a total of 3,727 acres, with forest and other property damage estimated at \$9,124.

Of the 399 fires attributed to railways throughout forested territory in the Dominion, 174 burned over less than one-fourth acre each, 187 burned less than ten acres each, and only 38 burned over an area greater than 10 acres each.

Of the 3,727 acres burned over by these railway fires, only 412 acres were merchantable timber; 436 acres were young forest growth; 353 acres slashing or old burn not restocking, and 2,526 acres were non-forest lands.

In addition to these fires, reports were received as to 69 spot fires on ties in

track, not spreading or causing damage other than to ties in track.

During the season, officers of the Fire Inspection Department inspected fire-protective appliances on 3,861 locomotives operating through forested territory. Defects were found in 85 cases, or 2.20 per cent.

In accordance with the fire-guard requirements, 9,954.66 miles of fire-guards were constructed or maintained in non-forested sections of the Prairie

Provinces.

The field inspection work of this department was carried on, under co-operative arrangements with the several forest protective organizations, Dominion and provincial, throughout Canada, involving the assignment of 126 officers of such organizations to serve as local officers of the Board's Fire Inspection Department.

Under appendix "E" will be found the Chief Fire Inspector's report.

ROUTINE WORK OF THE BOARD

RECORD DEPARTMENT

Below is given a table setting forth the number of applications, filings and letters received during the year ending December 31, 1927, together with the number of orders issued:—

Number of applications made	2,910
Number of filings received during the year	36,525
Number of outgoing letters during the year	21,000
Number of orders issued during the year	1,510

STATEMENT showing the applications made to the Board under the various Sections of the Railway Act, for the year ending December 31, 1927

Sections of the Ry. Act	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Totals
Rescinding of Orders, Sec. 34 Rules and Reg., Secs. 34-281-287-			2	2	3	2	1	3		5	3	5	27
290-296. Extension of time, Sec. 41. Location of Line, Secs. 167-177. Route Map, Sec. 167.	1 3 2	1	1 6	5	4 3	6 3	1 4 1	1	2 3	1 3 1	4	1 3 1	12 38 10
Ry. as Constructed, Sec. 175 Dev. of Line, Sec. 178 Mines and Minerals, Secs. 194-	2	2	1	3	1	1			1	4		3	14 6
Exprop. of Lands, Secs. 189-192. Appeals to Supreme Court Compensation for Damage,	1	1		1		1		1	2	1	1	1	7 2
Sees. 213-221. Branch Lines Ry., Sees. 180-187 Ry. Crossings and Jet., Sees. 252-254.	15	9	7	12	10	30	17	13	18	26	15	17	189
Interlocking Appliances, Sec. 252 Highway Crossings, Secs. 255-	1 15	1 25	1 18	15	18	25	32	1 28	2 14	26	25	14	10 245
Highway Div., Sec. 256 Protection at crossings, Secs. 257-267.	7	13	11	9	15	32	33	6	3	5 17	26	32	218
Telg and Tel I. nes, Sec. 367 Power Wire Xgs., Sec. 372 Telephone Agreement, Sec. 375. Canals, Ditches, etc., Secs. 268-	9	6 10	3 5	3 8	1 18 26	11 7	9	12 10	14 7	12 7	5 5	6 8	1 108 114
Water Pipes, Sec. 269		3			1	2			2	1	1		8 1 1
Sewers, Sec. 269. Culverts, Sec. 269. Farm Crossings, Secs. 272-273 Protection Farm Crossings			1 2		1 1	1	1 2	2 2	1 1	2	1 2	2	1 8 15
Sec. 275 Cattleguards, Sec. 274 Fencing of R. of W. Sec. 274 Construction, Nav. Waters,	1	1		1	4	1	2 1	3	1 2	2	1		1 9 13
Secs 245-219. Bridges, Secs. 249-251. Tunnels, Secs. 249-251.	4 2	4 2	1 9 2	13	17	14	11 2	13 2	6	4 3	1	2 3	97 25
Stations, Sec. 188 Station Accommodation, Station Agents Opening of Ry., Secs. 276-277	5 1 1	3	13	7 4 1	14 6 3	2 2	8 4 2	6 3	3	14 6 6	2 3	7 2	94 56 26
Rolling Stock, Secs. 298-301 Truin Service Working of Trains, Sec. 287 Accom. for Traffic, Sec. 312	3 3 6	5 2	6 5 4 6	1 2 1 6	3 2 10	1 4 8	2	2 6	1 5 3	1 3 1	1 3 5 7	2 5 5	10 27 39 62
Dangerous Commodities, Secs. 349-350 Accident Reports, Secs. 285-286. Fires from Loco., Secs. 280-281-	1 48	47	45	34	48	1 69	1 44	34	68	65	89	74	3 665
287-387 By-laws re Tolls, Sec. 323 Freight Class'n., Sec. 322 Disallowance of Tariffs, Sec. 325	i	1	1 1 3	2	4	4	1 1 2	2	1 4		1 1 2		5 3 26
Standard Frt. Tariffs, Sec. 330. Standard Pass. Tariffs, Sec. 334 Adjustment in Rates	1 2	: : : 1	9 3	6 9	1	14 5	5	4	5	1 2	1 1	1 4	6 1 59 20
Special Freight Tariffs, Sec. 331 Special Pass. Tariffs, Sec. 335 Joint Tariffs, Secs. 336-341 Provision for Carriage, Secs. 344-			1			9	4	1		1			2 1
Express Tolls, Secs. 360-366 Carriage by Express, Sec. 364	3	4 1 3	3	3	5	3	2	6 1 4	8 1 6	5 2 1	7 1 4	6 1 3	57 7 36
Traffic Agreement, Sec. 154 Statistics and Returns, Secs	1		1	1		1		2	2	1 2	3	1	11 5
Claims and Refunds Enquiries Requests	1 4	3	1 6 2	3 6 1	4 1 1	7 5 2	3 1 1	2 4	7	1 2	1 3	4 1	26 46 8
Complaints. M.scellaneous	26	22 4	43	35	25 9	8	17 2	25	25	24 2	34	13	311 57
Totals ,	205	185	242	214	274	313	228	222	248	266	266	247	2,910

APPENDIX A

PRINCIPAL JUDGMENTS OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1927

APPLICATION OF BELL TELEPHONE COMPANY FOR APPROVAL OF ITS REVISED TARIFF OF RATES FOR LOCAL EXCHANGE SERVICES, C.R.C. NO. 6057

Judgment of the Chief Commissioner, dated February 21, 1927, concurred in by the Assistant Chief Commissioner, the Deputy Chief Commissioner, and Mr. Commissioner Boyce. Dissenting judgment of Mr. Commissioner Oliver, dated February 21, 1927, and dissenting judgment of Mr. Commissioner Lawrence, dated March 8, 1927.

BY THE BOARD:

On January 25, 1926, the Bell Telephone Company of Canada filed with the Board for approval a revised tariff of rates for local exchange service, which it described as:

A proper schedule of rates, which removes existing discrimination or inequalities, and is so adjusted as to be fair and reasonable to the subscribers, while at the same time providing this company with sufficient revenue to meet its requirements—

and copies of such tariff were delivered to the municipal authorities in every exchange affected. It was not accompanied by any statement showing the necessity for change, or wherein the present rates fail to produce sufficient income for the company's needs. These matters were developed in evidence and will be referred to hereafter.

The schedule filed was designed to be effective on March 1, 1926, but in view of many protests from localities interested, and no reasons having been then presented to the Board in support of its adoption, it was thought advisable to suspend its operation until opportunity for full and complete hearings should be had. It was intended to supersede all individual exchange tariffs at present in force, and the rates provided for, vary according to the group in which the locality indicated may fall. Such groups are nine in number and on its face the schedule shows the different cities, towns and localities belonging to each group. The cities of Montreal and Toronto are the only ones which fall in group 1. There are none in group 2. Two cities, Hamilton and Ottawa, are found in group 3. Three, namely, London, Quebec, and Windsor, comprise group 4. And an ever-enlarging number falls in groups 5, 6, 7, 8 and 9.

Π

In support of its application the company has filed numerous exhibits, supplemented by oral testimony, and in justification of the increase in rates points out that it is the owner of property the book value of which is \$103,000,000; that against such property there is now a bond issue of \$30,000,000; outstanding capital stock amounting to \$48,694,600; and that at present it is indebted to its banker for loans since the commencement of this application, to an amount exceeding \$6,000,000; that necessary alterations and extensions in its business call for an expenditure within the next five years of a very large sum of money, which it estimates at \$87,000,000.

The company submits that it is entitled to earn, and must earn, an eight per cent dividend on its capital stock in order to hold the confidence of the investing public, and to maintain itself in a position to attract capital for extensions from time to time of the company's operation, as well as for necessary

alterations.

Since 1918, the applicant company has been before this Board more than once seeking authority for an increase in rates, and some of the questions discussed at length in this application were touched upon, and to a degree determined, by judgments of the Board hereinbefore delivered in 1919, 1921 and 1922. The decisions with regard to such phases of the general question are of record and no good reason appears why they should not, where applicable, and not varied by this judgment, be adopted and concurred in by the Board in this case.

It will be admitted that non-discriminatory rates should be established by the company sufficient to produce revenue to cover its operating expenses, its current maintenance expenses, a proper amount for depreciation and amortization, its taxes, including income tax, interests, dividends upon its stock, and a reasonable surplus. Having done this, the public should not be asked to contribute further.

Some argument was made by Mr. Phippen, counsel for the company, and a portion of his brief is based upon the claim, that this public utility service is entitled to earn a "fair return" on the value of the property of the company, the reproduction cost of which, under present conditions, is estimated at \$137,000,000—as against a book cost of \$103,000,000. The Board is not prepared at present to acquiesce in this view, although aware that within many jurisdictions of the United States this doctrine has been accepted, and to some degree recognized within Canada.

Although counsel for the company laid stress upon its right to earn a "fair return" on the fair value of the corporation property, yet, as the application developed, he expressed himself satisfied with a rate scale sufficient "only to pay the company's operating costs, to pay its bond and other interest, and to permit the company to continue to pay an eight per cent dividend on its stock." The company is upon more solid ground in taking the latter position before the public, and the understanding of its present contention is that it is willing to have this application dealt with from the latter standpoint.

In view of the final position taken by the learned counsel upon this question, it is not necessary for the Board to speak definitely upon the propriety of estimating rates on the basis of a fair return on the value of the property of the company, but in view of the contention made in the company's brief, and repeated in its brief in reply to that of the city of Ottawa, for the present at

least, assent cannot be given to the propriety of that method.

V

The company filed as its first exhibit a statement for the year 1925 showing

(a) its actual revenue and expense at the close of that year, under the present rates of service, using a depreciation rate of 4.75 per cent, and

(b) an estimate of what its income and expenditure would have been under the rates now proposed with a depreciation rate of 5.41 per cent.

An exhibit covering 1926, estimated for the portion of the year then unexpired, was also filed using a depreciation ratio of 5.41 per cent showing

- (a) its estimated revenues and expenses at the close of 1926 under the present rates of service, and
- (b) an estimate of its income and expenditure during the same period under the rates now proposed.

This latter exhibit disclosed under

- (a) a deficiency in the year's operations estimated at \$1.371,000, and under
- (b) a surplus of \$1,240,000.

It may be noted that from the full statement for the year 1926 now available and shown later, the actual deficit is more than the company's estimate above.

For the year 1925 the company carried its depreciation rate at the figure of 4.75, as against a proposed depreciation rate of 5.41 which it used in 1926, and the propriety of the latter rate is in issue in this application. But before examining the various points raised, it may be well to consider briefly the basis of this application and pass in review more fully the present position of the company under which it claims to be suffering loss, and to consider for a moment the general financial position of the company at the present time.

VI

As before remarked, the company finds it necessary to make very substantial and expensive alterations involved in the change from manual to automatic equipment now under way, included in an estimated expenditure during the present year of \$17,000,000, and it is obvious that the increased carrying charge must be met. The company urges that it cannot be met under a tariff which now is inadequate to furnish revenue sufficient to give enough margin of safety on its present investment and operation. In the expanding conditions of business, the company cannot stand still—it must enlarge and keep in touch with business affairs. It is unnecessary to dwell at length upon the necessity of efficient and up-to-date telephone service. Business cannot be carried on without it, and the inconvenience and actual financial loss which would result from curtailed or insufficient telephonic communication can hardly be estimated. Unless the income of the company is, or will be, sufficient to take care of the carrying charges imposed by these necessary expenditures, some increase is unavoidable. It is contended by the respondents that the present rates provide ample income for such purpose.

The company alleges that the schedule of rates now under consideration is the lowest that will provide sufficient revenue for its necessary requirements, and that it also serves the purpose of eliminating discriminations which now

exist in its present schedule.

The fact appears that immediate large expenditure is forced upon the company not only because of the normal expansion of its service from year to year, but as above remarked, by the necessary alteration of its system by which the automatic telephone service is to supplant the manual operation now largely in use. It therefore insists that it is necessary that its rate schedule be raised, not only to check the heavy encroachments which are now being made upon its surplus, but to provide money for its necessarily increased outlay, which it says the present schedule cannot do. It will be remembered that the claim is put forward that the company has actually not earned its dividend and surplus of two per cent approved by the Board, since 1920, although the dividend has been regularly and duly paid. It says that moneys rightly applicable to a proper depreciation and amortization fund, as well as to the maintenance of a reasonable surplus account, have been withheld from these two latter accounts in order that the credit of the company should not be impaired by the passing of a dividend, or otherwise. If this be true, it is clear that even having regard only to the normal extension of the company's business based upon the operations of the past years, an adjustment of rates is called for; but when, in addition to checking the alleged downward tendency of the company, there is the necessity of enlarged expenditure for reasons heretofore not insistent nor pressing, it is the company's view that the present rates are wholly inadequate to deal with the situation, and that the proposed schedule is the smallest that can be evolved in fairness and safety to the interests affected.

As above remarked, the estimate is that the company will require \$87,000,000 for empiral expenditures during the coming five years. Mr. Sise's testimony is that said estimate is based on the net growth in the next five years, including 1926, of 225,000 stations, or an average of 45,000 over that period. This average, he said, is considerably lower than the gain actually accomplished during the las two years of 52,000 has year 50,000 in 1924; 52,000 in 1923; 33,900 in 1922; and 23,900 in 1921.

The gross additions to the plant, so estimated, involve expenditures for right of way, lands and buildings, central office equipment, exchange lines, station equipment, toll lines; also interest during construction; and an exhibit was filed showing the detailed estimate for each year from 1926 to 1930, inclusive, and the projected expenditure under each head. It calls for an outlay as

follows:-

	. \$17,764,000 00
1927	. 17,601,000 00
1928.	
1929	. 16,793,000 00
1930	17,950,000 00
	\$86,935,000 00

Taking an average capital investment of \$17,000,000 each year during the next five years, it involves a yearly addition to the carrying charges for the company's dividend requirements, at the rate now prevailing, of \$1,360,000.

VII

This discussion of the company's affairs makes it advisable to pass under review the actual condition of the company at the close of the years 1925 and 1926, as disclosed by the exhibits submitted. And this having been done, attention may then be directed to the company's forecase for the future, with a view of determining upon the necessities of the company from the standpoint of the extensions and alterations proposed to be made.

Immediately below is shown a summary of the company's receipts and

expenditures for the year 1925:—

1925—ACTUAL DEPRECIATION EXPENSE AT 4.75 PER CENT

Telephone Revenues— Exchange service revenues. Toll service revenues. Miscellaneous operating revenues. Sendry net earnings	6,396,694	32 70
Total revenues \$ Total operating expenses \$11,852,520 26 Maintenance 4,466,493 19 Depreciation and amortization 4,178,165 31		
Taxes. 1,124,000 00 \$ Net earnings		
Net profit. \$ Dividends. Deficit. \$		88 20

In the statement for 1925, it is shown that the total operating receipts of the company for the year 1925 were \$26.168.977.42, which are increased by sundry net earnings to \$26.989.625.03; and the total expenses \$21.621.178.76, including in the latter its depreciation and amortization account of \$4.178.165.31, calculated at the rate of 4.75 per cent. After deducting interest and dividends, taxes, etc., the exhibit reveals a deficit of \$8,712.32.

The respondents claim that the Dominion income taxes charged by the company in 1925 and included in exhibit No. 1 are excessive by approximately \$50,000, being based on the former rate of taxes ($10\frac{1}{2}$ per cent), which was subsequently lowered to 9 per cent. This was admitted by the company, provided no further assessment is made by the tax authorities in respect to certain other items still pending.

This adjustment has not yet been made, and it is noted that the company's statement for the year 1926 is based on the now current rate of taxes, 9 per cent, and whatever might be claimed for the year 1925 can have little or no effect

on the company's position to-day.

In another part of the company's statement it is disclosed that if, during the year 1925, it has been allowed the rates proposed in the new schedule, and had increased its depreciation rate to 5.41 per cent, as against the present rate of 4.75 per cent, the operations of the year would have resulted in a profit of \$1,620,785.99. The increased earnings would have amounted to \$2.685,021, which would have been reduced by increased expenditure to \$1,629.498.31, and would have thus worked out to a credit of over a million and a half dollars. These figures contain no element of uncertainty. They are the result of the actual year's operations under existing rates, compared with what would have been the result had certain factors, now sought to be altered, assumed such altered form at the beginning of the year 1925.

VIII

Coming now to the year 1926, all of the months of this latter year had not expired when the figures were taken out in the exhibit above mentioned, but they are now available and show the following summary of results:—

1926-ACTUAL DEPRECIATION EXPENSE AT 5.41 PER CENT

Telephone Revenues— Exchange service revenue. Toll service revenues. Miscellaneous operating revenues. Sundry net earnings.	. 6,982,142 80
Total revenues.	. 29,110,800 25
Total operating expenses. \$12,387,951 00 Maintenance. 5,769,720 33 Depreciation and amortization. 5,586,065 00 Taxes. 1,100,000 00	\$24,843,736 33
Net earnings. Interest.	.\$ 4,267,063 92 . 1,801,188 00
Net profit. Dividends.	.\$ 2,465,875 92 . 3,906,803 00
Deficit	.\$ 1,440,927 08

By a further exhibit the company compared its estimated earnings and expenses for the year 1927 under the present rates, with those under the rates proposed, showing that under the rates now in force its operations will result in a loss of \$2,007,000 for the present year. At the proposed rates, the result is estimated to be a surplus of \$727,000. The exchange service revenues contemplate an increase of revenue for 1927 of a little over three millions of dollars.

The actual figures for the years 1925, 1926, and the estimate for the year 1927 reveal the following:—

1925—Deficit on operation on existing scale of rates—depreciation	ratio
4.75 per cent	\$ 8,712 32
1926—Deficit on existing scale of rates—depreciation ratio of 5.41 per c	ent 1,440,927 08
1927—Estimate of deficit on existing scale of rates—depreciation	ratio
5.41 per cent	\dots 2,007,000 00

December's monthly report of the company shows bank loans of \$6,000,000. This has now been increased by further borrowings of \$1,000,000, made on 15th January, 1927, to furnish funds for the dividend for the last quarter of 1926. Cash then on hand of \$414,294 by the same report has been utilized, and an overdraft to the amount of \$455,332 incurred, as shown by a report furnished the Board on 4th February instant, which also reveals a bank indebtedness on loan account of \$7,455,332, against which Dominion Government bonds have been deposited to the amount of \$1,090,000.

In addition to all this it may be observed that the semi-annual bond interest due and payable on 1st March next, to the amount of \$750,000, must

be provided for.

The above statements summarize the company's financial position at the present time, and such is the situation which has to be met by those who have the responsibility of carrying the affairs of the company, and incidentally the more important responsibility of providing satisfactory telephone service for the business and other interests of the people of Ontario and Quebec. All must admit that items in the expense account which represent wages, taxes, interest and dividends must be paid. By this application, the directors of the company say that, in their opinion, the other items of outlay exhibited in these statements are necessary to keep the plant in proper condition to provide for its due retirements, and in order that the business of the company may be successfully carried on. The company now finds itself confronted with an accumulated deficit on the operations of 1925 and 1926 of over a million dollars—with an inevitable deficit under present rates for the current year which, it says, will be over \$2,000,000—with indebtedness for current loans from its bankers of \$7,000.000 —and with three-quarters of a million dollars to be provided within a few days for bond interest, due March 1 next. Under these circumstances, the company now comes to the Board asking authority to put into effect the schedule of rates filed over a year ago, and which it then asked might become operative on March 1. 1926.

IX

It is contended with earnestness by the respondents that the revenue now derived from the rates presently in force is sufficient to meet all requirements

of the company upon any fair basis of calculation.

It is evident that if the respondents are entitled to succeed in their opposition to this application, the basis of success must be found in some criticism of the accounts of the company as submitted, or of its forecast as outlined in evidence, and without hesitation counsel interested have taken issue with the propriety of certain calculations and with the appropriation of certain portions of the income to various branches of the accounts. It is pointed out that whereas the total revenues of the company, including its sundry net earnings, amounted to nearly twenty-seven millions of dollars for the year 1925, its total operating expenses were less than twelve millions of dollars, thereby leaving a balance of over fifteen millions, against which interest and dividends of somewhat over five millions are fairly chargeable, and taxes amounting to a little over another million, so that after all this outlay is provided for, over eight and a half millions of dollars remain, which are absorbed in current maintenance, depreciation and amortization accounts. In addition to maintaining that this latter amount is more than ample for all reasonable purposes, attack is made upon the item of service contract expense amounting this year to \$420,000, which will be dealt with later.

It is also emphasized by respondents that the rates already in existence have provided and accumulated surplus account which at the end of the year

1925 had grown to the amount of \$4,966,364.70.

The company is not holding that amount in cash, but it has all been invested in plant, which is in ease of borrowed money.

It is contended by the respondents that nearly five millions of dollars having been paid by the telephone users for this purpose, the surplus account is high enough, and provides sufficient reserve for a public utility company whose income can always be regulated by its necessities. And it is further claimed that a sum of eight and a half millions of dollars or thereabouts, represented in the current maintenance and depreciation and amortization accounts of the year 1925, is sufficient upon any calculation to keep the company on an even keel.

Unfortunately, the company's accounts show a most serious impairment of this surplus account. During the year 1926 the company suffered a deficit of \$1,440,927, and necessarily has charged it to surplus account, thereby reducing the same to \$3,549,867, as shown by the December monthly report submitted to the Board. The present rate scale will—by the company's estimates submitted—result in the present year's operation terminating in a deficit of \$2,007,000 (and it may be said that at the beginning of 1926 the company's estimate of deficiency for that year was too low), by which the surplus account will be reduced to \$1,542,867, and there can be little doubt that this balance will entirely

disappear in 1927 under the present schedule of rates.

Respondents contest the above conclusion, because, they say, the depreciation rate is figured too high, and there are features of the company's financing which are indiscreet and can be corrected to its great financial benefit, thereby obviating any necessity for a raise in rates. They criticize chiefly the depreciation ratio, which they say has been needlessly raised, the item of \$420,000 paid under contract to the American Telegraph and Telephone Company, the relationship existing between the applicant company and the Northern Electric Company. Each of these contentions must be examined, but the discussion thus far makes clear that unless relief can be extracted from the above sources, or elsewhere, the need for a review of rates is imperative and immediate, or a serious impairment will follow.

X

Considering that much debate centres around the question of a proper rate for depreciation and amortization, it may be well to give priority to the discussion of this feature of the problem, for the item is large and the difference involved in the rate of 5.41 per cent as asked by the company, and 4.47 per cent as set up by the respondents' witnesses, amounts to the substantial sum of \$842,136 upon the book cost of 1925, and as the value of the plant increases, this item of expense will be augmented. It may be said that for some years prior to 1919, the company charged depreciation and amortization rates which approximated 6.2435 per cent. This rate was in line with that charged by the American Telephone and Telegraph Company, and was considered in an application for increase of rates made in 1918 and disposed of in the following year. (See vol. 9, p. 63, Board's Orders and Judgments, 1919.) A rate of 5.7 per cent was by this judgment substituted for that of 6.2435, which it was estimated would give a sum of approximately \$330,000 per year. And it may be noted that the depreciation rate on the American Telephone and Telegraph Company during the war period was 5.72 per cent, when that company was under the control of the United States Government, and continued until its return to private hands, whereupon it was reduced to 5.3 per cent.

Upon the second application, which is disposed of by the 1921 decision of the Board (vol. 11, p. 35, 1921) the depreciation rate was further lowered to 4 per cent on the average depreciable plant. In the judgment of the present Assistant Chief Commissioner, it is set out that this might be considered safe for a limited period of time, and it amounts to about 3.64 per cent on the total plant. It was stated that an emergency condition existed during which it would

be proper to borrow from the Depreciation Fund for a limited time.

The 4 per cent emergency rate then put in under the direction of the Board, was applied by the company until January 1, 1922, and upon that date it established a rate of 4.85 per cent, which continued during the year 1922. For 1923 it charged 5 per cent; for 1924, 4.85 per cent; and for 1925, 4.75 per cent. For 1926, it charged a rate of 5.41 per cent, being a composite rate which the Board is now asked to approve. The judgments delivered by this Board, both in the year 1919 and in 1921, alluded to the fact that no actual experience on the part of the company could be drawn upon to assist the Board in coming to a conclusion, and also stated that

as soon as possible the company should set about to accumulate such exact details as will enable as definite opinion as possible to be formed on the basis of the ascertained experience of the company.

The above is an extract from the judgment of the Assistant Chief Commissioner

at page 43, vol. 11.

Following out the suggestion or direction embodied in the judgment above referred to, the company has presented to the Board on this application a study of its own, giving the reasons for the necessity of the rate which it asks to be confirmed, namely 5·41 per cent, which is a composite rate made up of individual rates upon some 25 different items. The respondents contest many of these items claiming that the rate asked for is too high, and suggesting a rate calculated by Dr. Malibie, at the figure of 4·47 per cent; and carried into dollars the difference in depreciation expense—as shown by the company's exhibit, and by an exhibit filed on behalf of the city of Toronto, a respondent—is the excess of \$4,867,667 the company's total, over \$4.025.531. Dr. Malibie's total—namely \$842,136, as stated above.

The rate of 5·41 per cent suggested by the company is worked out by Mr. Peterson, the engineer of the Bell Telephone Company, following an exhaustive study, and both he and Dr. Maltbie filed particulars and data supporting the rates submitted by each; both calculations are based upon the average book

costs of 1925; and both adopt the use of straight line rates.

The amounts involved in the purchase and upkeep of the company's plant are so large that an alteration of the depreciation ratio, although slight, works out in actual computation to a very considerable amount. As between the estimates made by Mr. Peterson, the company's engineer, and those of Dr. Maltbie, adviser to the city of Toronto, there is about one per cent difference, the former calculating a composite ratio of 5.41 per cent, and the latter placing the proper figure at 4.47 per cent. It needs no argument to show that different classes of property deteriorate in different periods of time, but having regard to the depreciable portion of the plant as a whole, the company submits that its percentage figure above quoted is necessary to produce sufficient to cover its investment at the end of service life, as well as to take care of obsolscence. A considerable volume of testimony was submitted to the Board in support of the propriety of each individual calculation, and in order that the relative importance of such calculations may be appreciated, it may be well to repeat that the difference in dollars between the percentages amounts to \$842,136.

TY

For convenient reference, immediately below is a statement showing in its first column the different classes of property upon which depreciation is calculated. In its second column, it shows the average book cost of the different classes of depreciable property, and the figures shown therein are used both by Mr. Peterson and Dr. Maltbie in their several calculations. Column three contains the depreciation ratio attached by the company to each class of property. Column four shows the depreciation ratio as calculated by the respondent in table 4 of exhibit No. 141.

Class of Property	Average Book Cost 1925 Exhibit 141 Table 1	Company Exhibit 16	Depreciation Rate Dr. Maltbie Exhibit 141	
			Buildings.	\$ 6,978,400
Central Office Equipment Manual	17,818,520	6.5	4.8	6.5
Central Office Equipment Machine Switching. Other Equipment of Central Offices.	3,149,000 290,725	6·5 6·5	3·6 6·5	5·0 6·5
Station Apparatus	10,413,726	5.5	5.5	5.5
Station Installations	2,754,942	1:0	1.0	1.0
Interior Block Wires	96,762	3.0	3.0	3.0
Private Branch Exchanges. Booths and Special Fittings.	2,551,385 741,896	$6 \cdot 0$ $5 \cdot 0$	$\begin{bmatrix} 5 \cdot 0 \\ 5 \cdot 0 \end{bmatrix}$	$6 \cdot 0$ $5 \cdot 0$
Exchange Pole Lines	6,741,736	6.7	*6.3	†5.8
Exchange Aerial Cable	6,767,550	6.7	*6.1	†5.5
Exchange Aerial Wire-Line	2,196,652	9.5	<i>{</i> 10⋅9	†10.2
Exchange Aerial Wire-Drops. Exchange Underground Conduit.	2,840,386 6,106,547	2.0	3.5	†3·0 2·0
Exchange Underground Cable	10,221,499	4.0	*3.4	†3·2
Exchange Submarine Cable	66,176	10.0	10.0	10.0
Toll Pole Lines.	4,254,625	7.6	*6.2	†5.9
Toll Aerial Cable	501,085	5.4	5·4 *4·5	†5.1
Toll Aerial Wire	4,314,183 31,552	2.0	2.0	†4·3 2·0
Toll Underground Cable	742,362	3.4	3.4	†3·1
Toll Submarine Cable	70,286	11.0	11.0	11.0
Office Furniture and Fixtures	462,048	7.5	6.0	6.0
Undistributed Capital Expenditures	29,945	5.4	4.47	4.71
Total for Depreciation	90,141,988	5.4	4.47	4.71
Right-of-Way Exchange	26,377	3.0	3.0	3.0
Right-of-Way Toll	89,289	2.0	2.0	2.0
Total for Amortization	115,666	2.23	2 · 23	2.23

* Classes of Property involved in 1916 appraisal adjustment treatment. † Classes of Property involved in five-year forecast treatment.

An examination of the foregoing shows that there are in all twenty-five separate classes of property upon which depreciation is estimated, and concerning thirteen of these no difference of opinion has developed as to the proper ratio chargeable thereon. It is, therefore, necessary to consider only the remaining twelve upon which a difference exists.

Number of Classes of Property for which depreciation rates are the same..... Number of Classes of Property for which depreciation rates are different.....

XII

During the hearing, three sets of depreciation rates were filed, as shown in the preceding statement. One on the part of the company, and two others on the part of the respondents. Each is based on the average book cost of the classes of property affected for the year 1925.

The company's officials explained the method by which the rate attached to each class of property was arrived at, and having regard to all of them a

composite depreciation of 5.41 per cent was reached.

The second computation, being the first of those submitted on behalf of the respondents, arrives at a composite rate of 4.47 per cent by the following method:-

The rate used in connection with lands and buildings is supported by

Dr. Maltbie's method of computation.

On central office equipment—both manual and automatic—as well as private branch exchanges, the normal life for all these items was assumed. On exchange pole lines, exchange aerial cable, exchange underground cable, toll pole lines and toll aerial wire, the so-called appraisal of 1916 was used.

In the remaining three, namely, exchange aerial wire lines, exchange aerial wire drops, and office furniture and fixtures, the depreciation figure set for each of these classes was evolved from experience or observation on the part of Dr. Maltbie acting for the respondents.

As above remarked, this calculation gives a composite rate of 4.47

per cent.

The third depreciation ratio calculation, being number seven in the statement referred to, gives a composite ratio of 4.71 per cent.

Concerning buildings, the same remark may be made as under the preceding

computation.

And as regards central office equipment, automatic, the opinion of Mr.

Wray, an engineer called on behalf of the respondents, was adopted.

As to the other nine items previously enumerated, the turnover cycle method was applied to a five-year forecast; and as regards office furniture and fixtures, the same calculation was made as in table 4.

The Board, therefore, has before it these three several calculations resulting in a composite ratio of 5.41 per cent submitted by the company, and 4.47 per cent and 4.71 per cent submitted by the respondents.

XIII

Dealing now scriatim with the items involved, it is noted that the company has estimated a rate of two per cent on buildings, whereas Dr. Maltbie for the respondents, makes the rate only half that amount. It may be said that there is really no difference in the final calculations between the parties over this item, except that Dr. Maltbie considers that a rise in value of the land which the company's buildings occupy, should be offset against a depreciation of the buildings themselves. He admits that considering the buildings alone, a rate of two per cent is not excessive. From cross-examination it appeared that while Dr. Maltbie holds tenaciously to his view, nevertheless it is not customary that in these calculations any appreciation of the land be offset against the depreciation ratio of the buildings. No doubt an increase in value of land will find its way into the accounts. It is not a question of losing sight of this increment of value. But we are dealing here with depreciable property, and are of opinion that our discussion at present should be confined to it alone, and consequently are in line with the view expressed by the company, that a depreciation ratio of two per cent is reasonable in regard to this class of

In central office equipment the company has set its depreciation ratio at 6.5 per cent, and Mr. Wray for respondents, estimates the same at 4.8 per cent. The latter estimate is made under the assumption that the manual equipment is to be allowed to live out its normal useful life without being interrupted by what might be regarded as the premature introduction of machine switching. He agrees that having regard to the conditions under which Mr. Peterson made his study, and in view of the fact that the early retirement of the manual equipment is contemplated, 4.8 per cent will not be a proper rate of depreciation, and he accepted 6.5 per cent as accurate. There does not seem to be much difference of opinion between the parties concerned over this item. If the company carries out its projected change from manual to alutomatic switching, the life of the item under consideration will be thereby shortened, and consequently its depreciation rate heightened, in which event,

both parties agree that 6.5 per cent is a fair ratio to set.

On the other hand, Mr. Wray estimates 4.8 per cent as the proper depreciation rate under normal conditions, and of this there is no contradiction. The question is raised here by counsel for the respondents that, having an equipment reasonably satisfactory and concerning which no complaint has been presented, it is unfair to the telephone users that they should be compelled to pay for scrapping their machines before their time of service is at an end. The difference lies just here. There are, no doubt, business reasons why it is undesirable to lengthen out the process of change. Whether such reasons prevail in the face of an increase of rates to that amount, is questionable. But it is manifest from the evidence that the company's calculation is not out of the way, having regard to their proposed alteration, and in our opinion it should stand at 6.5 per cent.

As regards the next item, namely, machine switching, a noticeable differ-

ence in rate prevails.

The company's exhibit No. 16 sets the depreciation ratio upon automatics at 6.5 per cent, the same as is claimed to be applicable to manual operation, whereas in column 4 Mr. Wray submits a rate of 3.6 per cent for this item. He sets this percentage on the same assumption as that referred to above, in connection with his rate of 4.8 per cent for manual equipment, not taking into account inadequacy or obsolescence. It was further stated by Mr. Wray that there is not the body of fact or experience in connection with the automatic that there is with the manual, whereby exact computation can be made. But from all the facts and experience available, and from consideration of the thing in itself, and the conditions under which it will operate, and the causes that may bring about its retirement, he recommends a depreciation rate of five per cent as proper under existing circumstances.

Mr. Kempster B. Miller, an authority in telephone engineering, adheres to the view that it is safer to stay on the level of manual depreciation until something has transpired which will indicate whether the rate should be raised or lowered. One thing develops from the discussion by these experts, and that is, that the estimate of each is little better than a guess. The Board has followed carefully the reasons given by the different experts and is not by any means convinced that, even as a matter of experiment, the depreciation ratio of the automatic machine should be as great as that of the manual. A ratio of 5.5 per

cent, instead of 6.5 per cent as set by the company, is sufficient.

The ratio to be allowed in the matter of private branch exchanges furnishes the next matter of divergence. The applicant company's engineer has placed this at 6 per cent, whereas Dr. Maltbie estimates the same at 5 per cent in table 4.

The difference of opinion above indicated has developed upon the question of how much per cent of salvage will be available in connection with this class of property. Under Mr. Peterson's calculation, he figures that there should be a salvage of 46 per cent net, whereas Dr. Maltbie places the same at a higher figure, namely 55 per cent, and the difference between the two is represented by a depreciation ratio of 5 and 6 per cent respectively. The definite program for the installation of automatic equipment which is now before the company will no doubt affect the private branch exchanges to some degree. It may be well to say that we are not setting a figure which cannot be altered. The experience of the company can always be brought to bear upon any of these calculations, and while an application of this kind is a serious matter, and imposes upon all parties heavy financial burdens, yet in regard to these depreciation ratios, some of which are experimental, the Board thinks means can be adopted whereby it may review the same. To set a depreciat on ratio on this, or any other class of property under special circumstances arising from a change of equipment, may very well result in fixing a ratio excessive under normal conditions, and this should be avoided. The company says it has taken all that into account. In this item, as well as in a preceding one, regard is had by the company's engineer to the short life of the class of property under consideration by reason of the fact that a change is imminent. This is not a permanent condition, and a depreciation ratio calculated under such circumstances, even after making allowances might reflect more than sufficient at ordinary times. The figures involve a difference of somewhat over \$25,000. The company's estimate should be allowed.

Up to the present, we have discussed what is known as inside property and upon the different items involved the depreciation ratios were calculated by Mr. Wray and adopted by Dr. Maltbie, who made no personal investigation

into the same.

XIV

Coming into what is classed as "outside" property, Dr. Maltbie, by using the five-year forecast, has arrived at rates different from those set up by the company upon nine different divisions of the outside property, as shown marked

"X" in the statement on page 20.

Mr. Peterson explained how the estimates for the forecast were prepared. He said that there had been a careful study for the first year's requirements in connection with these items of outside plant and station equipment, as well by field officials having charge of the five territorial divisions of the company's work; that their forecast was constructed from a statement of materials and equipment derived from the knowledge of the existing requirement of the plant and its expected growth, and the amount of equipment or plant that would be required for gross additions and what would necessarily be retired. He detailed extensively the thorough method adopted by the officials of the company, showing how the first year's estimate and each of the remaining four years' estimates were arrived at. He stated that

the difference between the first year's estimate and each of the remaining four years is that in respect of land, buildings and central office equipment, it is estimated on a project basis; but in respect of the outside plant and the station equipment, the first year is a detailed estimate built up from materials and equipment and the prices, whereas for the balance of the five years, that is the four years ahead, it is estimated broadly upon a monetary basis.

The results of this calculation were furnished upon request to Dr. Maltbie, and Mr. Peterson was asked as to the use made by the latter gentleman of such estimates, and said that they were used by him "for the purpose of determining what will be the result on indicated life by applying the turnover cycle method for certain classes of property for the period ending with the year 1930."

The object of the forecast, as detailed by Mr. Peterson, was to arrive at money requirements, not to estimate the retirements on the basis of a depreciation ratio. As against the depreciation ratio thus deduced by Dr. Maltbie from the forecast above made, we have that compiled by Mr. Peterson and thoroughly described in his depreciation study in evidence wherein the methods by which the various ratios of depreciation were arrived at, are minutely and completely described. Tables and explanatory graphs were submitted in support of his conclusions, and while it must be admitted that in a discussion so extremely technical, one follows with difficulty and sometimes with doubt the processes explained and conclusion arrived at, yet the merit of one method as against another is more easily understood. And having examined the studies submitted by Mr. Peterson, the Board has no hesitation in arriving at the conclusion, as against the criticisms made in this particular by the respondents, that the company's figures stand undisturbed.

XV

As to some of the classes of property, a certain use was made by Dr. Maltbie of the so-called 1916 appraisal. This may be said with reference to exchange pole lines, exchange acrial cable, exchange underground cable, toll poll lines.

and toll aerial wires. The first four of these items are subject to the observations immediately above, as well as to the remark that as regards the figures shown in table 4 on these classes of plant, Dr. Maltbie arrived at the figures shown in the last-named table by using a unit retirement cost taken from the 1916 appraisal, and scaling this down by use of the ratio which the 1916 appraisal figures bore to the 1916 book figures, thereby obtaining certain unit costs which he accepted as representative of book costs as of January 1, 1916. Finding that these scaled-down unit costs were lower than the unit costs to which Mr. Peterson had adjusted them as retirement figures, he concluded that Mr. Peterson was in error and that book balances were not on the same price level as his retirement figures. To correct this, Dr. Maltbie calculated the amount by which the book balance should be increased for each class of plant, showing the results in table 11 of exhibit 141; resulting in longer service lives and consequently lower depreciation ratio than found by Mr. Peterson. In examination it developed that Dr. Maltbie had added a fixed amount for the years back of 1914 when the plant was of very much less volume, and it seems plain that in his estimate he should have used a percentage which if properly calculated would have brought his figures more in line with those of the company. The fact is, that there was no appraisal of outside plant in 1916. If such had been the case there would be justification for using the ratio which such appraisal bore to the 1916 book prices, but it was established that the so-called appraisal of 1916 covered a period of six years, beginning in 1911, when an inventory was made of the Montreal property and priced out at unit costs of that year, and the appraisal of 1916 was accomplished by book additions, dollars additions to June 13, 1916. And in the case of Toronto also, an appraisal was made in 1912 and brought down to June 30, 1916, in the same manner. Such procedure makes it clear that it would be impossible to extract the average costs year by year from the so-called 1916 appraisal. They are not by any means the 1916 costs, but they are an aggregate of cost from the year 1911 to 1916.

XVI

Criticism of the company's ratio, which has for its foundation data collected in the way above described cannot be effective. It is extremely difficult to say whether or not the company's ratio on each individual item is exactly right, but in the Board's opinion it suffers nothing from what has been said against it by the respondents. A study of the reasons adduced by Mr. Peterson and of the methods which were taken by the company's officials to arrive at these figures, affords little ground for altering the same. Having regard to this branch of the inquiry it seems to the Board that it must accept the study and results so made and compiled by the officials of the company, if the same are not impugned for reasons which seem to be valid and effective, and this observation applies not only to the items under consideration but to others as well. If, in the criticism levelled against them, there would seem to be justice and reason, the Board would not hesitate to follow to its logical conclusion any doubt raised as to the accuracy of the company's figures. But where, as in the present case, the criticisms are shown to be based upon premises which are inconclusive, no course seems to be open other than to accept the results compiled by the company upon matters of a wholly technical nature.

The depreciation ratio upon two other classes of property is challenged, and upon one of them at least it is easier to form an estimate. Office furniture and fixtures to the value of nearly half a million dollars are estimated by the company to bear a depreciation ratio of 7.5 per cent, as against the lower figure of 6.0 per cent set up in tables 4 and 7. The company's rate is arrived at by estimating the life of such property to be twelve and a half years, and this shortens what might under other circumstances be its normal life of fifteen and

a half years by reason of the reduction due to a change in policy and practice of the company. No investigation or examination of the property involved was made by Dr. Malthie upon which he could base his estimate of six per cent, but his conclusion was derived from experience in other directions. In view of the fact that it is admitted that such class of property can reasonably be expected to have a life of between fifteen and sixteen years, as shown in exhibit 84, the onus is certainly on the company to establish its position. The only answer to this is that this class of equipment in the past has resulted in longer life than is to be expected from the present equipment, inasmuch as articles of inefficient confirment, including double desks, are being done away with and standardization inaugurated, better sanitary conditions established, metal cabinets are being introduced for housing important documents; excessive repairs to worn and obsolete typewriters are being avoided by abandonment of the same,—all in order to bring about increased efficiency and better work. It is also pointed out that the company plans to creet a new administration building to centralize its department, whice will result in a certain amount of existing equipment being retired. The Board is somewhat in doubt as to the necessity for raising this figure from the amount indicated by a fifteen and a half year life 7.5 per cent, which represents a life of twelve and a half years. But as less than \$7,000 is involved in the change, the company's figure may stand for the present.

It is to be noted that a composite depreciation rate of 9.5 per cent is set up by the company in connection with wire lines and wire drops in exchange aerial service. This figure is challenged by Dr. Maltbie, who separates such items in table 4, assigning a figure of 10.9 per cent to wire line, and 3.5 per cent to wire drops. In his criticism of the figures submitted by the company Dr. Maltbie testified that the company's procedure in this regard is out of line with that of other companies operating under the same system of accounts, although he admitted in cross-examination that the practice varies. There are instances where apparently all drop wires go through maintenance and repair, and practically none of them go through depreciation reserve account. Peterson in support of his figures testified that in the accounting practices of the Bell Telephone Company all drop wires retired under specific estimates are charged to the reserve, whereas such retirements under routine work are charged to maintenance. A difference in practice is involved here. The company carries the two kinds of wire in one account, instead of setting up a separate rate for line wire and another for drop wire. In work done on a large scale, upon which estimates are necessarily made, drop wires retired thereunder are not charged to maintenance. Under the company's present practice however, it seems impossible to now separate the two accounts for the purpose of arriving at proper rates, and the Board accepts the company's composite rate of 9.5 per cent upon these items.

In the foregoing, for reasons stated, the depreciation rates proposed by the company have been accepted, except that for machine switching, which is put at 5.5 per cent instead of 6.5 per cent. The average book cost of this class of equipment at the end of 1926 is \$7.482.653.78, and the company has credited to the depreciation reserve for this item, the sum of \$466.872.50. Using the ratio of 5.5 per cent, the amount to be so credited is \$395.015.96—a reduction of \$71,826.54.

The alteration of the company's ratio on automatic equipment from 6.5 per cent to 5.5 per cent results in a change in the composite ratio from 5.41 per cent to 5.34 per cent.

XVII

It is thus apparent that the use of a depreciation ratio of 5.5 per cent upon automatic equipment, instead of 6.5 per cent as estimated by the company, has a substantial reaction upon the sum total estimated under that head;

and as above remarked, it also reduces the composite depreciation ratio to 5.34 per cent, instead of 5.41 per cent, and thereby effects a saving upon that item of \$71,826.54. It will further be noted that inasmuch as this class of equipment will increase very materially during the years until manual equipment is supplanted, this difference of one per cent will assume larger proportions. It is estimated that for the year 1927 it will reach the sum of \$100,000.

Reference is made to the contention that property is normally about 80 per cent depreciated, and that therefore a reserve equal to 20 per cent of the average plant in service is adequate. This was referred to in the 1919 Case, Part XIII, although it was not deemed necessary to make any ruling on the point. In the present case it has been contended that the existing depreciation reserve is excessive.

In his evidence Dr. Maltbie stated that he understood that engineers for the Bell Telephone system had commonly made the statement that if a plant were growing at the rate of 10 per cent per annum, the amount in depreciation reserve, to be adequate and reasonable, would range from 20 per cent to 22 per cent. Dr. Maltbie is here referring to an opinion understood to have been expressed in the United States.

While the range from 20 per cent to 22 per cent was set out by Dr. Maltbie and based on his understanding of a position "commonly held", counsel for the city of Toronto states that as the Bell property has been growing more rapidly than 10 per cent per annum, the maximum percentage of reserve should, therefore, be below 20 per cent.

Dr. Maltbie, in stating the understanding above referred to, said he was not quoting it as a fact, but that he was going to use it as an illustration. He was manifestly not expressing this as a concluded opinion based on his own researches. He also referred to the opinion stated, as set out in the argument of counsel, to be "held by many that when a depreciation reserve has reached 20 per cent, the annual depreciation expense charges should be limited to actual losses. . ." (Argument, p. 129.)

The book cost of the Bell Telephone Company on December 31, 1926, was \$112,915,126; the depreciation reserve as of the same date was \$25,883,116.08, or 22.03 per cent. Included in the book cost is the item of land at \$1,494,349, and intangible capital at \$76,811. In the Montreal Case, 15 Can. Ry. Cas. 134, land was omitted from the base on which the depreciation ratio was computed. The two items referred to total \$1,571,160. Deducting these from the book cost, there is a revised sum of \$111,343,966. The depreciation reserve is 22.3 per cent.

In view of the element of judgment of necessity involved in connection with depreciation ratios, and the amounts accruing therefrom, it would not be justifiable to say that it would be safe to limit the payment to reserve to losses actually accruing in given years, and regardless of the contingencies of change; nor would it be justifiable to say that on the record now before the Board the percentage of reserve is excessive.

While the amount expended for current maintenance, \$5,769,720.33, seems large, yet when it is understood that this item takes care of thousands of calls for repairs to stations, as well as all the company's lines—aerial and underground—central office equipment, etc., it is not surprising that this item has not occasioned serious objection. It includes repairs or additions made daily to apparatus and property, in order to keep the same in a state of efficiency. The actual cost for this maintenance in 1925 was \$4,466,493.19. Increased stations undoubtedly mean increased expense, and this is reflected in the increase in this item of over \$1,000,000 during the year 1926.

XVIII

The service contract between the American Telephone and Telegraph Company (hereinafter spoken of as the American Company) and the Bell Telephone Company of Canada (hereinafter spoken of as the Canadian Company) is covered by two agreements, one dated May 16, 1923, and another, a supple-

mentary agreement, dated April 17, 1926. (Exhibit No. 20.)

Under an agreement entered into on November 1, 1880, the American Telephone Company had undertaken to deliver to the Canadian Telephone Company, Limited, "the rights" and interest of the former in certain letters patent of the Dominion of Canada theretofore issued to Alexander Graham Bell. The American Telephone Company also undertook to transfer to the Canadian Telephone Company all patent rights or licenses to use patented inventions in the Dominion of Canada which the former company had or might hereafter acquire.

The agreement of 1923 sets out that the American Telephone and Telegraph Company has succeeded to the obligations of the American Telephone Company, and that the Bell Telephone Company of Canada, Limited, has succeeded to the rights possessed by the Canadian Telephone Company, Limited.

under the agreement of 1880.

The recitals set out that the agreement of 1880 did not obligate the American Telephone Company, or its successors, to patent its inventions in Canada. The successor to this company desired to be relieved from the obligation to assign to the Canadian Company all letters patent of the Dominion of Canada for telephonic apparatus, etc., which it might hereafter acquire. The Canadian Company desired "to be made secure in their right to use all such inventions of the American Telephone and Telegraph Company relating to said telephone or telephonic apparatus through licenses under patents to be issued therefor". The provisions of the agreement may be summarized as follows:—

1. The Canadian Company releases the American Company from all further obligations under the provisions of the second section of the contract of November 1, 1880. This provided that on the issuance and delivery by the Canadian Company to the American Company of \$300,000 of the capital stock of the Canadian Company, the American Company would assign to the Canadian Company the patent issued to Alexander Graham Bell, above referred to, and also the letters patent or licenses in connection therewith, to which reference was also made.

2. The American Company agrees to furnish the Canadian Company with copies of specifications of all applications for United States patents for inventions re telephones, including cables which the American Company, or the Western Electric Company, Inc., may hereafter file in the United States of

3. On request of the Canadian Company the American Company will patent, or cause to be patented, in the Dominion of Canada and Newfoundland, such of said inventions designated by the Canadian Company as it may have

the right to have so patented.

4. The American Company will grant, or cause to be granted, the Canadian Company licenses to make, including the right to have others make and manufacture, use and sell, under each of such patents of the Dominion of Canada

and Newfoundland.

5. The American Company agrees that in acquiring other United States patents, or rights under such patents, regarding telephonic appliances, etc., it will make reasonable efforts at the same time to acquire such rights for the Dominion of Canada and Newfoundland. That where there is no (a) additional expense to the American Company, it will acquire such rights; (b) where there is additional expense such rights will be acquired on authorization by the Canadian Company at the expense of the said Company; (c) where such rights are acquired the Canadian Company is to reimburse the American Company for the

additional expense.

6. The American Company agrees (a) to afford the Canadian Company to acquire and use, as and when completed and standardized, all new and improved apparatus and developments in the art of telephony resulting from the research and development work conducted by the American Company, provided that where the use of such apparatus and developments includes the use of Canadian patents, not owned or controlled by the American Company, the American Company does not undertake to obtain for the Canadian Company rights under such patents; (b) that it will continuously prosecute its work of research in "the development of plans, methods, systems, and ideas, designed to promote safety, economy, and efficiency in the equipment, construction, and operation of telephone plants, including that of the Canadian Company. It is provided that if the America Company discontinues said fundamental work of research for the associated companies of the Bell system in the United States, then the obligation to the Canadian Company shall also cease. In such event, however, a reasonable amount "to be agreed upon between the parties, will be deducted from the compensation hereinafter provided for."

7. "That it will furnish the Canadian Company advice and assistance in general engineering, plant, traffic, operating, commercial, accounting (including the auditing of accounts), patent, administrative, and other matters, including legal matters, so far as reasonably practicable, in view of the difference between the legal systems of the Dominion of Canada and of the United States, pertaining to the efficient, economical, and successful conduct of the telephone business of the Canadian Company; such advice and assistance to be given through the issuance to it of data, discussions, and conclusions, including bulletins, books, circular letters, standard specifications, and blue prints, and through the performance of specific work in cases of unusual magnitude and complexity, rendering such work necessary, as well as through personal conferences between officials and experts of the respective companies, and through extending to representatives of the Canadian Company the privilege of attending conferences of the American

Company and its Associated Companies."

8. "That it will furnish to the Canadian Company advice and assistance in its financing for the extension, development, or improvement of its telephone system and in the general matter of its finances, including assistance in securing funds on fair terms as and when needed for new construction and other expenditures, and active assistance in the marketing of the Canadian Company's securities, but not including any obligation on the part of the American Company to advance its own funds or to use its own credit for these purposes."

9. In order to improve service throughout its territory, the Canadian Company is entitled to extend to telephone companies with which it may wish to exchange data and advice, the benefit of such engineering and technical advice as is above referred to. This is to be done on such terms and conditions as the

Canadian Company may determine.

10. "The Canadian Company further agrees that it will pay to the American Company at the office of the latter, at 195 Broadway, New York city, in each year, beginning with the year 1923, the amount stated below:—

"The initial and each succeeding annual payment hereunder shall be the sum of three hundred thousand dollars (\$300,000), provided, however, that whenever the gross telephone revenues of the Canadian Company for any calendar year shall be more than twenty million dollars (\$20,000,000), by two million dollars (\$2,000,000), or by a multiple thereof, then the annual payment for such year shall be an amount equal to the initial annual payment above fixed, plus ten per cent thereof, where such increase of revenue is two million dollars (\$2,000,000),

and where such increase is a multiple of two million dollars (\$2,000,000), plus

an increase equal to a like multiple of ten per cent thereof.

dar year shall be less by two million dollars (\$2,000,000), or any multiple thereor, than the then basis for the computation of the annual payment hereunder,
ther and in such event for each such two million dollars (\$2,000,000) of decrease,
or any multiple thereof, the annual payment hereunder shall be decreased by
ten per cent of the initial annual payment hereunder, or by a like multiple of
such ten per cent; provided, however, that the annual payment hereunder shall
in no event be less than the sum of three hundred theusand dollars (\$300,000),
and provided, further, that the above provisions as to increase in the said
annual payment on account of increases in revenue shall continue to be applicable; it being the intention of the parties that the annual payment shall not
be less than three hundred thousand dollars (\$300,000), and that with this
minimum it shall be increased or decreased, as the case may be, as above provided, to correspond with increases or decreases in total gross annual telephone
revenues.

"Each such annual payment shall be paid in equal monthly installments, payable on or before the 10th day of each calendar month, except that the payments covering the months of January, February, and March, 1923, shall be apportioned over the remaining months in said year, so as to make the total pay-

ment for the said year equal the initial payment above stated."

11. If the Canadian company fails to pay for thirty days after the due date any sums herein due, or if either party shall violate any of the other terms or conditions of this agreement, and shall persist in such default or violation, or shall fail to remedy or repair the same for sixty days after written notice, or shall become bankrupt or insolvent, the other party may, by written notice to the party in default, terminate all rights of the said party in default, and to enforce its rights may resort to its remedies in law, or in equity. The contract is to run for ten years from January 1, 1923, and thereafter until either party shall give to the other one year's written notice of its election to terminate the same.

Under the supplementary agreement it is set out (a) that, under the agreement of May 16, 1923, "the Canadian Company receives broader patent rights and banefits than it was entitled to enjoy under the contract theretofore in force," said contract being that of November 1, 1880; and particular reference is made to the second section of same. The recitals continue that, under Article 1 of the agreement of May 16, 1923, the Canadian Company released the American Company from further obligation under section 2 of said agreement of November 1, 1880. It is further recited that it is the understanding of the parties that upon the termination of the agreement of May 16, 1923, the obligation on the Ameri-

can Company under the second section of the agreement of 1880 revives.

This understanding is then validated by the specific terms of the agreement. It sets out that in consideration of the premises, and for the sum of one dollar (\$1) by each to the other in hand paid, the receipt of which is hereby acknowledged. "The parties hereto do hereby agree that, upon the termination at any time, or for any cause whatsoever, of said agreement of May 16, 1923, the said second section of said contract of November 1, 1880, shall be automatically reinstated in full force and office, and the American Company shall be subject thereto, and the Canadian Company entitled to the benefits thereof, from and after such termination, to the same extent as if said second section had never been abrogated or suspended."

The service is provided for under the agreements which have been set out. The companies concerned are under different jurisdictions—the Canadian Company alone being subject to the jurisdiction of the Board. Under the service

contract agreement between the American Company (the American Telephone and Telegraph) and the associated Bell companies in the United States, there is a charge of 4 per cent (formerly 4½ per cent) for the services performed by the parent company. These services cover the lease of the telephones or subscribers' sets, the right to use the telephonic apparatus, methods, and systems covered by the patents owned or controlled by the American Telephone and Telegraph Company; the American Telephone research, investigation, and experimentation to furnish advice and assistance in general engineering, plant, traffic, operating, commercial, accounting, patent, legal, and administrative matters, also to give financial support and assistance, and to guarantee in case of deficiency the operating company's Employees' Benefit Fund.

What has been set out in the abstract of the agreement with the Canadian Company may be referred to as showing in general such differences as exist in respect of the services rendered to the Canadian Company on the one hand, as compared with the associate Bell companies on the other. It is estimated by the Canadian Company that the amount it pays on the basis of 400,000 stations is about 2 per cent.

In the United States the service contract and its incidents has engaged the attention of commissions and courts. The Public Utilities Commission of the State of Missouri, in a case before it, made reductions in the payments to be made under the service contract to the American Company. The matter eventually came before the Supreme Court of the United States in State of Missouri ex Rel. and South Western Bell, 292 U.S. 276. The court found that the 4½ per cent charge—the percentage then paid—was the ordinary charge paid by the associate companies, and stated that there was nothing to indicate bad faith, and that it appeared that a proper discretion had been exercised by the South Western Bell Company in entering into the agreement. The decisions show that in a large preponderance of cases in the United States, where the service contract had been the matter of adjudication either by commissions or courts, the sums set out under the contract have been allowed in full.

Witnesses from the American Company have testified in the present case to the nature and extent of the work which is being carried on by the Research Department of that company. The benefit of the engineering and other technical advice and information in respect to construction, maintenance, repair, and operation of plant, received by the Canadian Company from the American Company under the agreement, may in turn be extended by the former to telephone companies operating in Canada and Newfoundland, this to be done on such terms and conditions as the Canadian Company may determine. Testimony has been given in the present hearing by various representative officials of the Canadian Company in respect to the advantages it is contended the Canadian Company obtains under the contract.

The suggestion that the contract is an improper one was, to a great extent, based on the position that the two companies were not dealing at arm's length, and that this tended to create an atmosphere of suspicion.

There is no doubt that services of value are obtained under the contract. So long as present-day business organization continues, and public utility corporations are under private ownership, the general business administration of such corporations must, of necessity, be in the hands of their directors. Of course, if they abuse their discretion and enter into improvident contracts, that is a matter which must be given full weight when it arises in connection with a hearing involving rates. In the present instance, on weighing the evidence, there is no such proof of abuse of discretion or improvidence in bargaining as would justify the Board in taking the position that the agreement should be invalidated in whole or in part. The function of the Board is one of corrective regulation, not of business management.

In the South Western Bell Company case, the United States Supreme Court cited with approval State Public Utilities Commission ex. Rel. Springfield vs. Springfield Gas and E. Co., 291 Ill. 209, 234, which stated: "The commission is not the financial manager of the corporation, and it is not empowered to substitute its judgment for that of the directors of corporations, nor can it ignore items charged by the utility as operating expenses, unless there is an abuse of discretion in that regard by the corporate officials."

XIX

Inasmuch as the relationship between the applicant company and the Northern Electric Company was the subject of much comment, it is necessary, before disposing of this application, to pass this matter under review, and concerning this matter it may be said—

The Bell Telephone Company of Canada purchases its supplies from the Northern Electric Company, under an agreement and a supplementary agree-

ment filed as exhibit 21.

Exhibit 117 sets out that in 1924 the sales by the Northern Electric to the Bell Telephone represented 55.6 per cent of their total sales, and in 1925, 57.8 per cent.

It was submitted by several contestants that an inquiry should be made

of all the affairs of the Northern Electric Company.

This question had come up before the Board in previous inquiries. It was dealt with in the 1921 judgment (Board's Orders and Judgments, vol. 11, pp. 46-47-48).

It was then held that the Board has no general supervisory power in regard to intercorporate relations. The Board's functions are mainly concerned with

companies operating under the Railway Act.

The previous decision of the Board was adhered to in this case, viz., that no examination of the finances of the Northern Electric Company should be made unless it were clearly shown that the prices charged to the Bell Telephone Company were enhanced illegitimately, because of the close relations between these two companies..

A study of the agreement and of the supplementary agreement (exhibit

No. 21) reveals the four following principal features:—

1. The Northern Electric Company maintains stocks and store-rooms at certain points, from which the Bell Telephone Company can draw daily;

2. It acts as the purchasing agent and store-keeper of supplies not manu-

factured by itself;

3. It performs certain small services, such as classifying, storing and repair-

ing returned material;

4. As regards articles manufactured by the Northern Electric Company, they are sold to the Bell Telephone Company at the most favoured customers' prices.

The maintenance of stocks and store-rooms by the Northern Electric Company offers a considerable advantage to the Bell Telephone Company inasmuch as it enables it to save capital that it would have otherwise to invest for that

purpose.

The Northern Electric Company is a competitor in the open market, and sells to the general trade articles which it also manufactures or purchases, stores, maintains and ships to the Bell Telephone Company, at net prices, plus a small remuneration.

The Bell Telephone Company is thereby enabled to buy its requirements

at a lower cost than if it did manufacture them itself.

The remuneration varies from 4 per cent to 9 per cent; 4 per cent if the shipment is made direct from the supplier to the Bell Telephone Company, and

9 per cent if it is stored by the Northern Electric Company.

There is, however, an exception in respect of stationery and office supplies, in respect of which the remuneration is 12 per cent if the shipment is made from stock, and 5 per cent if shipped directly by the supplier to the Bell Telephone Company. This higher charge is due to the fact that stationery and office supplies require greater handling, storage and other expenses, in proportion to its relatively low value.

The Northern Electric Company also performs repairs on returned apparatus. Minor repairs are performed in store-rooms in Montreal and Toronto;

major repairs are performed at the factory.

This is not an exhaustive list of the services rendered by the Northern Electric Company, under its contract. For instance, the Northern Electric Company also inspects for the Bell Telephone Company the various articles that it purchases for it.

Certain special services are charged on the basis of the net cost, plus 4 per

cent for remuneration.

The Bell Telephone Company is not obligated to buy anything, or exclusively from the Northern Electric Company. As a matter of fact, it purchases sand, gravel, cement, poles, printing matters, telephone directories, automobile

equipment, motor tires, and various other articles outside.

The Northern Electric Company is obligated to sell to the Bell Telephone Company articles of their own manufacture, at prices at least as low as prices charged to the most favoured customer in Canada or elsewhere. The price paid by the Bell Telephone Company is the same for one article or for 1,000; on minimum quantities it gets the maximum discount. Reference may be made to exhibit 86, a comparison of prices on telephone apparatus by the Northern Electric Company to the Telephone Company, and to the general trade; discussed in Record, vol. 457, pp. 3793 to 3799.

Exhibits 87-88-89-90 filed by the company, give a comparison of prices for apparatus manufactured by the Northern Electric Company and its competing manufacturers; prices charged by the Northern Electric Company on

specification material to the Bell Telephone Company and to the trade.

Exhibit 91 is an estimate of what it would have cost the Bell Telephone Company in 1925, to buy its own requirements through its own purchasing

department and warehouses.

It has been established that the prices charged by the Northern Electric Company, under the most favoured customer's clause, were lower than those which the Bell Telephone Company would have been obliged to pay to other manufacturers.

It also appears obvious that the Northern Electric Company, is able, on account of its mass production and volume of trade, to manufacture and sell at a lower cost than the Bell Telephone Company could manufacture or purchase,

if it were limited only to its own requirements.

There is no evidence of any improper financial arrangements between the two companies, and the agreement and the supplementary agreement which govern their relations, are distinctly advantageous to the Bell Telephone Company.

The Board can be concerned only with the effect of the Bell Telephone

Company's purchase of materials, from the standpoint of its net revenue.

On consideration of the evidence, one is compelled to reach the conclusion that it has not been shown that the prices charged were unreasonable; on the contrary, it was shown that such prices were as low or lower than those charged to other customers.

This phase of the case must be ended there.

XX

In dealing with the question of Income Tax, the company in 1919 explained that the practice of the Department of Finance was that where the income tax was greater than the business profits tax, or vice versa, then whichever gave the large amount was charged. The Board stated that the question was, what was the practice of the department? And it stated that the Commissioner of Taxation set out that:-

The tax paid under the Income Tax of 1917 cannot be charged as an expense, but must each year be paid out of surplus. In respect to corporations, it is a tax payable on net profits realized during a calendar year or the fiscal year in excess of \$3,000. (Board's Orders and Judgments, vol. 9, p. 70. sec. 4.)

This position was also followed by the Board in the 1921 case. (Board's Orders

and Judgments, vol. 9, p. 43, sec. 12).

In the present case reference is made by the company to the 1925 amendments to the Income War Tax Act of 1917 (16-17 George V, chapter 10, section 2), and it is claimed that the amending legislation in question sets at rest any contention that because dividends were exempt from income tax, the charging of the income tax among the company's expenses, instead of putting it against surplus or deducting it from dividends, amounted to an added return on the investment, since dividends being no longer exempt, it could no longer be claimed that the income tax paid by the company is in ease of the shareholders' burdens.

The present status of the matter, under the legislation, is set out at length

in the following communication from the Commissioner of Taxation:-

Under the Dominion Income Tax Act it is provided that corporations pay in respect of their income over certain specificated statutory exemptions a tax at the rates provided for in the various amendments since the inception of the law in 1917. This tax is a company tax for which the company itself is wholly liable and has no connection with the shareholders whatsoever.

Corporation tax is presently provided for by section 4, subsection 2 of the Act as amended, which reads,-

Corporations shall pay 9 per cent upon income exceeding \$2,000.

The dividends of a corporation shall be taxable income of the taxpayer in the year in which they are paid or distributed. This raises a liability as against individuals and has nothing whatever to do with the company as a liability of it.

In computing the amount of profits or gains to be assessed a deduction shall not

be allowed in respect of

(a) disbursements or expenses not wholly, exclusively and necessarily laid out or

expended for the purpose of earning the income. (Sec. 3, ss. 8.)

Income tax paid this year by a corporation in respect of the profits of the previous year is not a deduction within the meaning of the above provision for the purpose of arriving at the taxable income of the company for this year. The tax is a division of profits, compelled by statutory law, as between the company and the Crown. That very division, however, depletes the actual profits available by the company for distribution among its shareholders and anything that depletes the profits must be taken as a charge in the books of the company.

XXI

The facts above enumerated leave the ground clear to review the whole situation, and furnish reasons for the conclusions drawn. Nothing can be gained by discussing at length the proposal put forward in some quarters, that different localities should be charged different rates, calculated upon the basis of the expense attaching to the service within individual districts. It is not feasible, nor indeed in the opinion of the Board is it reasonable, to build rates upon such a foundation. The business is one corporate unit operating in different places, and cannot be split up into an indefinite number of sections. each treated upon a different basis. No precedent for such was cited, and the matter does not seem to require further discussion.

Having reached the conclusion that the company should be allowed sufficient revenue to cover operating expenses, current maintenance, depreciation (at a composite of 5·34 per cent), taxes, interest and dividends, and provide an allowance of two per cent surplus on the average capital stock issued, it was found that the application of the company's proposed schedule to the 1926 operations would have provided more revenue than required on the above basis. The same will doubtless hold true for 1927, and consequently a reduction in rates in some directions is possible. This may best be applied to the residential service in groups 1 and 3. The residence exchange service in group 1, now standing at \$3.08, is, by the schedule filed, raised to \$3.50. A reduction can be made from the latter figure to \$3.25, which it is observed is only 17 cents above the existing amount.

A like deduction of 25 cents is feasible upon the two-party line residential

service in group 1, reducing that figure from \$3 as proposed, to \$2.75.

In group 3, the rate proposed by the schedule filed for a one-party line is \$3.25, as against \$2.57 previously charged. It has been observed that \$2.57 is by comparison a small amount for residential service for at least one of the cities comprised in group 3. The rate of \$3.25 may be reduced, under the present circumstances, to \$3.10, and the two-party residential service in the

same group from \$2.75 to \$2.60.

Applying these changed rates to the actual telephones in use as of June, 1926, it is found that the total exchange revenue for the last named year would amount to \$23,643,821, and a compilation comparing the revenues and expenses under the present rates changed as above indicated, and using a depreciation rate for machine switching of 5.5 per cent, shows that had such last named depreciation rate and exchange rates been used for 1926, the result would have been a surplus of \$978,752, instead of a deficit of \$1.440.927. The former amount is two per cent of the average capital stock of \$48.835.000, showing that a two per cent surplus can be preserved in face of the alterations above made.

By its schedule the company has sought to readjust the charges so as to remove the existing anomalies and discriminations which were referred to in previous judgments. The various exchanges have been placed in groups according to the number of telephones in use, and while cost or investment has not been altogether ignored, it has not controlled the establishment of rates. Except in group 9, which shows reduction affecting exchanges, the heavier burden falls upon the business service and this would seem proper, having regard to the use and value of the service.

The value of telephone service to a business community is incalculable, and while that fact should not render easy the exploitation of the business public, nevertheless in the presence of the insistent demand for efficiency and enlargement, the raise indicated in the schedule filed would not weigh in the balance against a failure of the objects sought to be obtained. Perhaps a somewhat different consideration may in many instances apply to residence exchange service. On that assumption it has been thought well to apply whatever lower-

ing can now be effected to this branch of telephone use.

Under existing rates, residential telephones in different districts presented some material features of discrimination. The charge for residence exchange service in the city of Ottawa has been running at \$2.57 for a one-party line. Ottawa is classed as a city whose telephone stations are over 20,000 and less than 50,000, and from the schedule it appears that cities having as small a number as 2,000, such as Woodstock. Brockville, and Lachine, carry the same rate of \$2.57. If we recognize the principle that the telephone user should pay somewhat in proportion to the facilities provided, that is to say, that a person whose telephone is connected with from 20,000 to 50,000 stations has a service

more valuable than is provided by a telephone connected with half that number of stations, it is obvious that great discrimination exists as against Woodstock

and other places of that size, in favour of the city of Ottawa.

The city of Hamilton made a strong protest against being classed with Ottawa for rate purposes, and looking at the advance in rate in the former city for one-party line residential service, it is seen that under the rate schedule allowed it is raised only two cents per month, and the increase in two-party residential rate will amount to fourteen cents monthly. The almost negligible increase in the one case, and the not unreasonable increase in the other under the schedule as amended, takes from the protest of the users of residential exchange service in Hamilton a great deal of its force. Speaking generally, as to residential service rates, it may be said that, under the new schedule, in 49 instances there is a raise of rates; in 18 a decrease, and in 281 no change.

In order to equalize the burden the company, in its schedule filed, makes reductions for other services, which reductions based on the number of instru-

ments, and instrumentalities, in use as of June, 1926, are as follows:-

Desk sets	. \$	31,003 00 reduction
Extension stations		79,900 00 "
P.B.X. stations.		220,982 00 "
Hotel stations		
Excess mileage		112,903 00 "
	\$	445,792 00 "

It will be observed that these reductions account for nearly half a million

dollars of the increase provided by the new schedule.

While rates in other places in Canada are by no means conclusive of the propriety of the charges in the provinces of Ontario and Quebec, yet they give a background more or less effective to the contentions which are put forward. The New Brunswick Telephone Company, operating in that province, has in its highest group something over 5,000 stations. For one-party business service therein it charges \$7.50 per month—fifty cents more than is now proposed to be charged in Toronto and Montreal—and no two-party lines for business service are available in that group in New Brunswick. For residence, it charges for a one-party line \$3 as against \$3.25 in Toronto and Montreal, and the same rate, namely \$2.75, for a two-party line service prevails.

Comparisons with Manitoba, Alberta, and British Columbia show that rates are more reasonable in Ontario and Quebec than in any of these provinces, if we take into consideration the service rendered, as evidenced by the number of stations available for call by telephone users in the two larger provinces.

In the city of Vancouver, the Board has authorized the existing one-party line rates of \$6.60 for business and \$3.30 for residence service. The number of stations in Vancouver on July 1, 1926, was 47,996. In Toronto on the same

date there were 157,932; and in Montreal, 143,314.

From an examination of the exhibits placed before the Board, and having regard to the testimony based thereon, and arguments deduced therefrom, it is clear that along some lines of investigation doubt and uncertainty prevailed, and conclusions were not infrequently admitted to be little more than a guess. This is more particularly applicable to the fixing of depreciation rates, and as the business develops this item will grow larger and larger. It is seen above that even a small deduction in one particular rate entering into the composite ratio stands for a large amount in dollars. Under the present circumstances, in which change is taking place and new equipment being substituted for old before the period of life of the latter has actually expired, this may be calculated at too high a figure.

For this reason, it is imperative that the Board should not lose sight of the results of the company's financial operations, not only from year to year, but

calculated during a much shorter period of time. To that end the company should be required to furnish the Board with complete financial statements each month of the year, for its information, and keep it closely and continually in touch with the company's operations, and in a position to judge as to the actual effect of the rates which are now put in, and direction to that effect will be given.

Inasmuch as some change has been made in the schedule of rates filed by the company, and in order that no misapprehension or error may occur in putting the amended schedule in force, it has been thought well to embody in this judgment the tariff as the same is allowed by the Board. Such rates may be put

into effect on the first day of March now next, and are as follows:-

RATES FOR LOCAL EXCHANGE SERVICE WITHIN THE BASE RATE AREAS, AND FOR RURAL SERVICE IN EXCHANGE AREAS, SPECIFIED IN EACH OF THE FOLLOWING RATE GROUPS

Group I— Rates—Per Mo	nth	n are for wall type equipment.	Business F	Residence \$3 25
Two-party line.			6 00	2 75
Extension static	on		1 05	0 80
Group III-		Montreal, Toronto.		
Rates—Per Mo One-party line.			\$5 50	Residence \$3 10 2 60
Rural party line	e		3 25	3 00
Extension static	on		1 05	0 80
Group IV-		Hamilton, Ottawa.		
Rates—Per Mo	nth		Business Re	esidence
One-party line.		• • • • • • • • • • • • • • • • • • • •	\$4 75	\$3 00
Two-party line.		• • • • • • • • • • • • • • • • • • • •	4 00	2 50
			2 85 1 05	2 60 0 80
		ondon, Quebec, Windsor,	1 00	0 00
Group V—		man, quesco, minasori		
Rates—Per Mo			Business Re	esidence \$2 75
Two-party line.				2 25
Rural party line	e		2 50	2 25
				0 55
Group VI— Brantfor	d, Kitchener, Wa	terloo, St. Catharines, Port Dalhou	sie, Thorold	
Rates—Per Mo One-party line.			Business Re \$3 75 3 00	esidence \$2 50 2 00
Rural party line Extension static	e,		2 25 0 80	2 00 2 00 0 55
Belleville	Niagara Falls	Sarnia Sault Ste. Marie	Sudbury Copper Cli	CF
Chatham Galt	North Bay Oshawa	Sault Ste. Marie	St. Thoma	
Guelph	Owen Sound	Lennoxville	Three Riv	
Kingston	Peterboro	Stratford	Welland Ridgeville	
Group VII-			(Ridgevine	
Rates—Per Mo	nth		Business R	
One-party line.			\$3 25 2 50	\$2 25 1 85
				1 85
			0.00	0 55
Barrie	Lachine	Pembroke	St. Hyacir	nthe
Brampton	Leamington	Port Colborne	St. Johns St. Lambe	
Brockville Collingwood	Lindsay Midland	(Port Credit Cooksville	(Tillsonbur	
Duntroon	New Toronto	Streetsville	Brownsvil	
Cornwall	Islington	Clarkson	Weston Woodstock	_
(Grimsby Winona	Oakville Orillia	Simcoe Smith's Falls	Woodstock	
	Orallia	MIII D I WILL		
Group VIII— Rates—Per Mo	nth		Business R	
			\$2 75	\$2 05
Two party line			2 25	1 85 1 65
Rural party lin	e		0 80	0 55
LAUGISION STRUCT	JH			

RATES FOR LOCAL EXCHANGE SERVICE WITHIN THE BASE RATE AREAS, AND FOR RURAL SERVICE IN EXCHANGE AREAS, SPECIFIED IN EACH OF THE FOLLOWING RATE GROUPS—Concluded

Newmarket

Almonte Amherstburg Gananoque \Beamsville Georgetown Goderich Vineland Blenheim Granby Grand Mere Bowmanville Huntingdon Burlington Campbellford Joliette Carleton Place Chesley Kemptville Kingsville Clinton Lachute Cobourg Levis Creemore Listowel Drayton Lynden St. George Markdale Dresden Elmira Meaford Milton Essex {Exeter Crediton Mitchell Napanee

Orangeville Paris Parry Sound Perth Petrolia Picton Pointe Claire Port Hope Port Perry Preston Renfrew Ridgetown Rodney West Lorne Seaforth Shawinigan Falls Shelburne Smithville Wainfleet Wellandport

Sorel
Stayner
Stirling
St. Mary's
Thetford Mines
Thornbury
(Tilbury
Merlin
Trenton
Valleyfield
(Walkerton
Cargill
Walkerton
Cargill
Wallaceburg
(Watford
Alvinston
Whitby
Wingham

 Group IX—Rates—Per Month
 Business
 Residence

 One party line
 \$2 50
 \$2 05

 Two party line
 2 00
 1 85

 Rural party line
 1 90
 1 65

 Extension station
 0 80
 0 55

 Acton
 Douglas
 Marmora
 Sturgeon Falls

 Actonvale
 Durham
 Massey
 Sturgeon Point

Acton Actonvale Agincourt Ailsa Craig Alexandria Alfred Alliston Ancaster Arnprior Arthur Atwood Aurora Avonmore Aylmer, Que. Ayr Ayton Beauharnois Beaverton Bedford Beeton Berthierville Blind River Bobcaygeon Bracebridge Brechin Brighton Bronte Bruce Mines Buckingham Burford Burk's Falls Cannington Cardinal Cartierville St. Laurent Cascades Casselman Chambly Chateauguay Chatsworth Chesterville Ctifford Cobden Coboconk

Colborne

Coniston

Lefroy

(Cookstown

Cowansville

Deseronto

Dutton Embro Etchemin Farnham Farran's Point Fenelon Falls Finch Flesherton Freelton Gilmour Glencoe Gravenhurst Hannon Hanover Harriston Harrow Harrowsmith Sydenham Hastings Havelock Hawkesbury Hensall Hepworth Hespeler Holstein Hudson Huntsville Inglewood Kirkfield Kirk's Ferry Knowlton Lanark Lancaster Laprairie L'Assomption L'Epiphanie Lorretteville L'Orignal Louiseville Lucan Lucknow Madoc Magog Marieville Marlbank

Massey Mattawa Maxville M.egantic Merrickville Millbridge Morrisburg Mt. Forest Nairn Centre Napierville Neustadt Newburg New Dundee New Hamburg Niagara-onthe-Lake North Gower Norwich Norwood Oil Springs Omemee Otterville Pakenham Palmerston Papineauville Parkhill Penetanguishene Pierreville Plantagenet Plattsville Pte-aux-Trembles Portland Port Elgin Port McNicoll Powasson Prescott Richmond Hill Thornhill Rigaud Rockland Bourget Clarence Creek Rockwood Russell Embrun Severn Bridge Southampton

South Mountain

Strathroy

Sturgeon Point Sundridge Sutton Roche's Point St. Adele
St. Agathe
St. Andrew's East
St. Anne de Bellevue St. Bruno St. Cesaire St. Eugene St. Eustache St. Felix de Valois St. Jacques L'Achigan St. Jerome St. Jovite St. Lin St. Marguerite St. Marie Beauce St. Scholastique St. Therese St. Vincent de Paul Tara Tavistock Tecumseh Terrebonne Thessalon Tottenham Tweed Utterson Vankleek Hill Varennes Vaudreuil Vercheres Victoriaville Waterdown Waterloo, Que. Waubaushene Webbwood Wellington Wheatley Wiarton Willowdale Winchester

Wolfe Island

Worthington

Woodville

CHARGES FOR PRIVATE BRANCH EXCHANGE SWITCHBOARD SYSTEMS PER MONTH

(Switchboard, including Battery and Generator Circuits)

Cord non-multiple, per position—	6 0	00
Capacity 10 station circuits	8.0	20
Capacity 11–20 station circuits	9 (, ,
Capacity 21–30 station circuits	10 0	
Capacity 31-40 station circuits	11 0	
Capacity 41-60 station circuits	13 0	,
Capacity 61–80 station circuits	$\frac{15}{25} \stackrel{0}{0}$, ,
Station or trunk jacks in excess of one per line, per strip of 10	0.2	
Order Receiving Turrets—	0 2	,0
Two position.	12 0	00
Additional two position sections	4 0	00

Groups	I	III	IV	v	VI	VII	VIII	IX
	\$ cts.							
Exchange Trunks— Business Residence Stations. Stations equipped with dial, each	8 75 4 35 1 50 1 75	6 85 4 05 1 50 1 75	5 95 3 75 1 50 1 75	5 30 3 45 1 00 1 25	4 70 3 10 1 00 1 25	4 05 2 80 1 00 1 25	3 45 2 55 1 00 1 25	3 10 2 55 1 00 1 25

HOTELS-MESSAGE RATES

Private Branch Exchange Switchboards furnished to Hotels on Message Rate Plan at commercial rates as quoted above. Rates for stations, 65 cents each per month.

CHARGES FOR EXTRA MILEAGE IN CENTS PER MONTH

Per 1 Mile or part thereof, Air Line

Schedules	1	2	V-VI-VII-
Groups	I	III-IV	VIII-IX
One party Two party. Private branch exchange trunk. Battery circuit. Generator circuit. Extension line. Tie line.	75	60	45
	45	35	25
	75	60	45
	75	60	45
	75	60	45
	75	60	45
	75	75	75

CHARGE FOR FOREIGN EXCHANGE SERVICE

Per month	Min. charge
Per ½ mile or part thereof, Air Line—All Groups \$1 25	per month \$2 50

CHARGE FOR MISCELLANEOUS EQUIPMENT	Per m	onth
Desk sets		20c.

COMMISSIONER OLIVER:

The Bell Telephone Company of Canada filed with the Board in January, 1926, a revised tariff of rates for Local Exchange Services, to become effective March 1, of that year. This revised tariff was expected to increase the revenues of the company by \$2.685.021 per year.

of the company by \$2,685,021 per year.

On the ground that the proposed increased charges were excessive and unwarranted, certain large groups of subscribers asked that the tariff be sus-

pended until the Telephone Company had shown cause for the proposed increases; and until the parties opposing had had an opportunity to be heard in objection to them.

The cities of Montreal, Ottawa, Toronto, Hamilton and Brantford were amongst those who entered formal protests. In consideration of these protests, the tariff which it was proposed should become effective on March 1, 1926, was suspended by order of the Board and the case was set down for hearing. The hearing began on March 9, 1926, and was continued at intervals until November 26, 1926. The record of the evidence taken in the case covers 6,208 pages and is accompanied by 178 exhibits. The arguments of counsel for the applicants and contestants as submitted, cover 617 pages.

The cities of Toronto, Montreal and Ottawa and the province of Ontario were represented by counsel throughout the hearing and a number of other con-

testants during parts of it.

Counsel for the company states the purpose of the application on page 2 of his argument, or brief, as follows:—

The company submits that the expenditures necessary to maintain properly the service and plant, to protect the property and to pay a reasonable return on the investment, demand the additional revenue to be derived from the proposed exchange service rates.

Under the heading, "Basis of the Present Application," on page 10 of the company's brief, the statement is made:—

It (the new rate schedule) is designed to produce sufficient only to pay the company's operating costs, to pay its bonds and other interest charges and to permit the company to pay 8 per cent dividend on its stock.

If the company only desired revenue sufficient as above stated, to pay operating costs, bond and other interest charges and 8 per cent dividend on its common stock, the present tariff on the present business provides more than sufficient revenue for that purpose.

It is apparent however from the paragraph on page 10 of the company's brief immediately following the one above quoted, that the company does ask for revenues over and above those necessary to meet the requirements as stated.

The paragraph is as follows:-

In order to justify paying 8 per cent dividends, the net earnings of the company must be something over this amount. * * * Mr. Muller thought the surplus earnings should be half the cost of money. The Assistant Chief Commissioner in the 1921 judgment found that it was unescapable that some surplus should be earned. Mr. Sise testified the company believed the amount should not be less than 3.5 per cent. Mr. T. B. Macaulay testified to the same effect.

It would appear therefore that the company claims in addition to operating expenses, bond interest and a stock dividend of 8 per cent, 3.5 per cent as surplus over and above its regular stock dividend, or an actual earning of 11.5 per cent on its capital stock.

Under the sub-heading "Depreciation Expense" on page 36 of the com-

pany's brief the following appears:-

The method of ascertaining the proper annual charge for depreciation expense used by the company is the one commonly known as the straight line method. Under this method the amount of the depreciation loss to be apportioned in the accounting is determined by subtracting from the original cost of the property the net salvage which will be realized upon its retirement from service. The depreciation thus determined is then apportioned in equal increments throughout the various months and years in service of the property in question.

On page 38 of the company's brief the following statement is made regarding the depreciation rate calculated by the company:—

It was understood at the conclusion of the last rate case that when the company should come before the Board again in the future it would have prepared a detailed depreciation study based directly on its own plant and records. Through its witness Mr. Peterson the company has placed such a study in evidence in this case together with a table of deprecia-

tion rates which applied to the book costs of the various classes of property at the end of the year 1925, produce a composite rate of 5.41 per cent. The study and reasons supporting these rates are given in exhibits 84 and 85. The rates which represent Mr. Peterson's best judgment and which have been considered and approved by the chief engineer and the executive of the company, are now (since January 1, 1926), in use by the company in its regular monthly accounting.

From the foregoing it appears that in addition to the $11\frac{1}{2}$ per cent earning on capital stock as previously mentioned in the immediately preceding quotations from its brief, the company claims an additional earning of 5·41 on book cost of depreciable plant to become part of a "depreciation reserve." In the case of the Bell Company, the book cost of its depreciable plant is roughly \$100,000,000, while the capital stock is somewhat under \$50,000,000. An assessment of 5·41 per cent on 100 millions for depreciation reserve would amount to the same figure as $10\cdot82$ per cent on the 50 millions of capital stock. It would appear therefore that the company's demands when amplified by the inclusion of surplus and depreciation reserve amount to not 8 per cent on the capital stock but to an amount equal to $22\cdot32$ per cent on the capital stock.

It is quite clear that as between the right of the company to earn an 8 per cent dividend on its capital stock which was the first statement of its claim, and its right to earn a sum equal to 22 and a third per cent on an amount equal to capital stock, as set out in the amplification of its statement, there is room for wide divergence of opinion between the company who would get the money and the telephone users who would pay it. This divergence of view was strongly demonstrated by the evidence and arguments during and following the hearing.

It does not appear to be any part of the duty of the Board to distate to the company how its business shall be operated or financed. But when the company asks the Board's approval of a new tariff which so largely increases its rates, and bases its claims on grounds of such extreme financial urgency as it has done in this case, it becomes necessary and therefore proper for the Board to consider not only the rates now being and proposed to be, charged, but also the disposition by the company of revenues heretofore derived, and as well its proposals for the disbursement of future revenues.

There would seem to be no need to question the correctness of the figures shown in the company's accounting. There is no doubt that the monies received are accurately stated and that they have been disbursed as shown by the company's books. The question to be decided is not as to the correctness of the accounts or as to the methods of accounting, but as to,—

(1) Whether the disbursements are warranted by sound business con-

siderations:

(2) In what proportion the disbursements are properly chargeable to revenue through tolls for service to subscribers, and what proportion to the stockholders of the company, either as capital investment or as charges against their revenue from tolls.

The company recognizes the responsibility of the Board in the following

paragraph which appears on page 4 of its brief:-

The Board is created a judicial body to stand between the public service corporation and the public. Its duty is to see that the company does not make an unfair use of its property through using its franchise to derive excessive profits from the public and that its rates are not unduly discriminatory, either as between persons or between localities.

Particulars as to the expansion of the business of the company are found

in the annual report for 1925.

The Bell Telephone Company of Canada was incorporated in 1880. It supplies telephone service direct to connected telephones or "stations" throughout the provinces of Ontario and Quebec. It also connects, under special agreements, with 129,221 non-company telephones or "stations" in the same provinces.

The number of company's telephones has steadily increased from 40,094 in 1900 to 376.361 in 1920 and to 589,321 in 1925.

The net earnings increased from \$881.523 in 1920 to \$5,366,019 in 1925.

In 1915 the net earnings had been \$2,221,985.

The total assets, exclusive of certain stated items, amounted to \$7,498,762 in 1900; to \$62,050,089 in 1920, and \$109,174,692 in 1925. The gross total assets at the end of 1925 is given at \$114,288,769. These figures are from the company's annual report for 1925.

The total revenues from the operation of telephones in 1924 was \$24,208,411,

and for 1925, \$26,168,977, an increase of \$1,960,566.

The total operating expenses for the same years was, for 1924 -\$18,671,614; and for 1925—\$20,271,030; which gives a net increase of operating revenues over

operating expense as between 1924 and 1925 of \$361,150.

The company operated under the same rate tariff from its commencement until May of 1919 when a flat increase of 10 per cent in rates was approved by the Board. The application of the company was based on "increased cost of labour and materials and other elements of cost affecting public utilities."

A further flat increase of rates of 12 per cent was allowed by the Board in April, 1921. This increase was granted on the claim of the company that, "The cost of labour and material has continued to advance rapidly and the increased rates approved by Order No. 204 have proved insufficient to provide for the applicant's requirements."

A third application for increased rates was refused by the Board in Feb-

ruary, 1922.

Since the increases of 1919 and 1921 were granted to meet the then rapidly increasing costs of labour, material and incidentals, there have been substantial decreases in wholesale prices of food and other commodities and materials, labour costs generally have been reduced and the interest on money has gone down.

In view of the steady and rapid expansion of the company's activities and carnings since 1921 and the decreased and still decreasing cost of labour, materials and money since that date, it would seem necessary for the Board to examine very carefully into the statements of the company as to its operations and finances, in the light of the facts and arguments put forward by the contestants, before it approves of the levy of additional charges upon them by the company on the volume of business at present transacted to the amount of

approximately two and three-quarters of a million dollars a year.

In this connection it would seem to be proper to state that an expert witness who appeared on behalf of the city of Montreal estimated the increased revenues that might fairly be expected to result from the increased tariff on the basis of the business of 1925, would be over half a million dollars more than the estimates of the company. The company's estimate of increased revenues was \$2.685.021, while the estimate of the expert mentioned placed the figure at \$3.264.390. The difference in result arose out of a difference in estimate as to the number of present subscribers, now served by one-party or two-party lines, who would take a four-party line service at a reduced rate, rather than pay the proposed increase of rates on their present service. There was also a difference of estimate as to the number of private branch exchanges that would be given up because of increased rates.

It is to be noted that one of the purposes named by the President in his unmual raport for 1925, as being in view in the request for increased rates was,

"To permit of a proper return on the property used in giving service."

On page 4 of the company's brief the following statement by counsei appears:—

Compelling the use of the property at less than a fair return on its value is held in the United States to amount to confiscation. Is it any less confiscation in Canada? Unless

compelled to do so by competent legislative enactment it is the duty of the Board not to compel rates which are estimated to produce less than a fair return on the company's property, and by so doing to confiscate in whole or in part.

From the above quoted pronouncements of both the president and the counsel of the company it is plain that if the proposed increased rates are granted and are found to realize the estimate of the expert witness for the city of Montreal, instead of the half million lower estimate of the company, the company has very definitely, as a matter of argument, placed itself in a position to hold on to the greater revenues thus realized, instead of being content with the revenue as estimated by itself and placed before the Board as the limit of its present application.

The company in fact demands not only interest on its bonds and dividends on its capital stock, but it further definitely asserts the right to earn a "fair return on the company's property," whether derived from investments of their own money by its shareholders or coming directly from subscribers through tolls paid by them and appearing in the accounts of the company as accumulated surplus revenue, reserve for accrued depreciation, or in whatever form.

The company's balance sheet appearing in the annual report for 1925, shows an amount of \$23,295,998.96, as "Reserve for accrued depreciation" as at December 31 of that year. The same balance sheet shows "common stock" \$48,694,600, and bonds—1955—5 per cent, Series "A," \$30,000,000. Total assets are given as \$114,288,769.67. It appears therefore that the Bell Company's reserve for accrued depreciation, drawn from subscribers in charges for service and remaining unexpended, has been accumulating from year to year, until at the end of 1926 it had reached an amount equal to 70 per cent of the bond indebtedness, 47 per cent of its capital stock and 20 per cent of its total assets.

A "Reserve for accrued depreciation" is in fact an amount taken from earnings in addition to operating expenses and held in reserve ostensibly to be used in major renewals and replacements not included in charges for current maintenance. Any part not so used, automatically becomes a part of the assets of the company and really forms an addition to its capital. This view is very strongly taken by the Bell Company. On page five of his brief, counsel for the Bell Company says:—

It is to be observed that in the United States it has been definitely and finally decided by the Supreme Court that property represented by the depreciation reserve of a company is entitled to earn a return as property acquired in any other manner.

On page six the brief continues:-

The company submits that this decision is equally applicable to Canada. There is no distinction in the relation of the companies to the public between United States and Canada. . . . The company submits that at common law, it has the same right to its property and to the use of its property as have American companies to their property and to its use. Should this Canadian property be confiscated under competent legislative authority the company cannot seek legal redress for the confiscation.

Speaking broadly all material depreciates through use, time or change. If a company works a motor truck there are costs for current maintenance accruing from day to day to be paid for out of day to day earnings. But besides there is the certainty that no matter how carefully the truck is used or in how good condition it is kept by expenditures on current maintenance account, a time finally comes when it must be discarded and replaced. An adequate percentage taken from earnings during the useful life of the truck, in addition to costs of upkeep or current maintenance, provides for this inevitable event; and in due course replaces the old machine by a new one without impairing or burdening the capital of the company. This is an ideal application of the principle of a depreciation reserve.

But in the case of any widespread enterprise, and especially if it be a public utility such as a railway or the Bell Telephone Company, there is no final retirement of the property as a whole. The repair or replacement from time to time of the several units which make up its constituent parts, maintains it in good condition interminably.

There is need of adequate provision out of earnings for the costs of repairs and renewals in order that the system may be maintained at a proper standard of efficiency. But when that has been done there is no need of further withdrawals from revenue in order to provide for a condition of wholesale retirement which does not and cannot occur, while the enterprise is maintained as a

going concern.

"Current maintenance" is of course provided out of day to day earnings. Major repairs and renewals are supposed to be charged to depreciation reserve. There is no definite line of separation between what may be charged as current maintenance and what must be charged to depreciation reserve. The allotment of the several charges is within the discretion of the company management. It is therefore obvious that the amount drawn from the depreciation reserve in any year is dependent in some degree, first upon whether the policy of the company regarding current maintenance is one of expanded or restricted expenditure, and second upon what proportion of the total cost of repairs and renewals is respectively charged to current maintenance and to depreciation reserve in the discretion of the management.

In 1925 the sum of \$4,562,116 was taken from the revenues of that year and transferred to depreciation reserve. In the same year the amount of expenditures for major repairs and renewals over and above current maintenance charges and paid for out of depreciation reserve was \$3,138,373, leaving an unexpended balance of \$1,423,743 taken out of the revenues from the tolls of that year and added to the capital of the company, for which subscribers received no value. In the four years 1922-1925 the total amount reserved for depreciation was \$15,040,013. The amount expended on depreciation was \$9,347,825 and the amount added to capital under the name of accrued depreciation reserve was \$5.692,188. During the period of fifteen years from 1911 to 1926 the average rate of depreciation charged against earnings by the company was 5·11 per cent.

I do not understand that it is any part of the duty of the Board to direct the Bell Company how it shall conduct its business,—how much or how little it shall charge to earnings in providing for a depreciation reserve. As I understand it, the duty of the Board is to allow the company rates that shall be fair to the subscribers and that will give the company a reasonable return on the capital invested by its shareholders. But when the company asks for approval of higher rates in order that it may increase the percentage that it has already taken from revenue in order to still further add to its capital contributed not by its shareholders but by its subscribers. I find myself unable to agree in sanctioning increased tolls asked for on that ground.

In stating the financial position of the company, as showing its need of largely increased revenues, the following statement is made on page 54 of the

company's brief:-

The company's position is very plain. After contributing in operating expenses in 1925, \$692,081 from its depreciation reserve, it fell short of earning its dividend requirements by \$8.712. The shortage in fact was \$700,793 (\$8.712+\$692,081).

The Bell Company has a service contract under which it purchases equipment and supplies from the Northern Electric Company. The Northern Electric Company manufactures telephone equipment and supplies the Bell Company not only with its products but acts as a wholesale purchasing agent for the Bell. Particulars as to the agreement between the companies were given.

It was shown that the total sales by the Northern Electric Company amounted in 1925 to \$20,570,750, and that of this amount \$11,883,000, or 57.8 per cent, was to the Bell. In 1924 the percentage of sales to the Bell as compared with the total was 55.6. There was no means of definitely establishing at the hearing whether the prices paid by the Bell Company were fair and reasonable or not. Clearly with such a volume of business passing between them, a very small margin might make a very great difference in the financial showing of

Besides their contract there is an intimate relationship between the two companies. The Bell owns 50 per cent of the stock of the Northern Electric. The Western Electric Company of Chicago, which is a subsidiary of the American Telephone and Telegraph Company, owns 431 per cent. The remaining $6\frac{1}{2}$ per cent is said by the counsel for the city of Toronto to be owned in part by the directors of the Bell Company, thus giving that company control of an actual majority of the stock of the Northern Electric. As the Northern Electric is a development from the Bell and in its earlier days was owned entirely by the Bell, it can only be concluded that it is now a subsidiary of the Bell Company of Canada and that its activities are in fact directed by the management of the Bell. The Bell is therefore in the position of being both chief customer of and controlling shareholder in the Northern Electric. If the Bell buys too cheaply from the Northern Electric, the advantage to the Bell must be reflected in disadvantage to the Northern Electric. On the other hand, if the Bell pays unduly high prices, that should be reflected in the prosperity of the Northern Electric, and by corresponding depression in the finances of the Bell.

A comparison between the financial statement appearing in the brief of the Bell Company under the heading "Need for relief" and quoted above, and that of the Northern Electric, would seem to be in order.

The report to the shareholders of the Northern Electric for the year ending December 31, 1925, shows a balance of net profits for the year, after providing for depreciation, government taxes and interest on bonds (including amortization of bond discount), of \$1,520.717. The report continues:-

Regular dividends at the rate of 8 per cent per annum and extra dividend of 2 per cent have been paid and an amount of \$250,000 has been appropriated to the Employees' Pension and Benefit Fund, leaving an amount of \$670,717, to be carried to surplus account,

which at December 31, 1925, amount to \$2,844,821.

In view of the volume of business between the Bell and the Northern Electric: of the proportion of its business with the Bell in comparison with all other customers of the Northern Electric, and comparing the financial statements of the two companies, I am compelled to reach the conclusion that either a revision of the contract between the Bell and the Northern Electric, or of the methods followed in the transaction of business between the two companies should precede any demand by the Bell Company for increased rates.

The Bell Company holds \$3,000,000 (or one-half) of the stock of the Northern Electric. The dividends on that stock are a part of the revenues of the Bell Company. It would appear that in 1925 the Bell received a ten per cent dividend on its Northern Electric stock; 8 per cent regular and 2 per cent extra or \$300,000 in all. But the profits of the Northern Electric for that year amounted to \$670,717 over and above the ten per cent dividend of \$600,000 and an appropriation of \$250,000 to the Employees' Pension and Benefit Fund of the Northern Electric. This amount belonged to the shareholders and was available for distribution amongst them. The Bell Company was entitled to one-half, or \$335,358. The decision not to distribute this amongst the shareholders, of whom the Bell was chief, but to carry it into the surplus of the Northern Electric, was in the hands of the Bell Company through its control of a majority of the stock.

either company.

The Northern Electric report shows that on December 31, 1925, the depreciation reserve of that company amounted to \$5,564,249 and that its surplus (available for distribution amongst shareholders), was \$2,844,821. At that date its bonds outstanding and not redeemed by sinking funds amounted to \$2,139,500. So that the total of its stock issue and bonds outstanding (the amount of money provided directly or indirectly by shareholders) was over half a million dollars less than the amounts at the credit of surplus account and depreciation reserve, derived in largest measure as it must have been from profits on its dealings with the Bell Company.

The only inference I am able to draw from the ascertained facts is that the Bell has made a contract with its subsidiary, the Northern Electric Company, whereby unduly high prices have been paid for material and equipment and that the Bell as the controlling shareholder in the Northern Electric has not permitted itself to benefit from the undue profits reaped by the Northern Electric. So long as the situation between the Bell and the Northern Electric remains as it now appears to me to be, I am unable to find justification in the financial position of the Bell Company for an increase in rates over those at present

in force.

The company claims that its necessary expenditures are greater than can be properly met by its present revenues. It therefore asks for an increase in tolls as a means of producing increased revenue. The contestants ask that before granting the demand for increased tolls, the Board make reasonable inquiry as to what expenditures are actually necessary and generally what disposition is being made of the revenues now being received. Amongst the expenditures which were strongly challenged by the contestants was that made under a contract with the American Telephone and Telegraph Company, dated May 16, 1923. Commencing on that date the Bell Company of Canada agreed to pay the American Telephone and Telegraph Company \$300,000 a year in consideration of certain services to be rendered. It was further agreed that as the gross revenues of the Bell Company increased, the payments to the American Telephone and Telegraph Company should increase in fixed proportion. For the year 1925 the actual payment was \$390,000 and for 1926, \$420,000.

It was developed in this phase of the inquiry that the American Telephone and Telegraph Company held 32 per cent of the stock of the Bell Company of Canada. The holdings of Bell stock by individual shareholders of the American Telephone and Telegraph was not stated, but the conclusion seemed to be accepted that in fact the American Telephone and Telegraph Company through its own holdings of Bell stock and those of its shareholders, was in a position

to practically control the policy of the Bell of Canada.

The stated reason as to why the Bell had entered into the agreement was that the American Telephone and Telegraph had formerly supplied certain information and service free of charge; but that in 1922 it had declined to continue the services hitherto rendered without payment. Such an arrangement had been in force for a number of years between the American Telephone and Telegraph Company and its Bell subsidiaries in the United States, and the American Telephone and Telegraph decided that it could not give to the Bell of Canada what it sold to companies occupying a somewhat similar relationship in the United States.

It was not made altogether clear just what were all of the services rendered to the Bell Company under the contract, nor what was the fair cash value of such services as were actually rendered. Generally speaking, the contract made the Bell full partner with the American Telephone and Telegraph in all knowledge and improvements originated or acquired by the latter. It was represented that the American Telephone and Telegraph kept a large and costly research staff constantly at work and that the results of the work thus done were of great

practical value to the Bell, without charge except the annual payment under the contract. It was represented that the Bell was thereby relieved from making costly and probably fruitless experiments; was kept abreast of every improvement and was able to standardize its methods and equipment to an

extent that would not otherwise have been possible.

On the other hand, it was suggested that to purchase desired improvements from the American Telephone and Telegraph would have cost much less than the lump sum agreed to be paid and that the agreement, so far as the Bell was concerned, placed in the hands of the American Telephone and Telegraph all initiative towards improvement or invention in the science, in which, above all others, improvement and invention might reasonably be expected to be most active within the next few years.

It must be accepted as a fact that a research department such as that maintained in New York by the American Telephone and Telegraph may produce valuable results. It is also a fact that the more complete its organization, the more effective its work and the greater the business interests behind it, the more readily it may be used to kill as well as to create invention. It is not inconceivable that if an invention comes to the attention of the American Telephone and Telegraph research bureau and is approved as having merit, that before it is accepted for operation, the management carefully considers whether the present interests of the present company will best be served by putting it into

operation or putting it on the shelf.

The connection between the Bell and the American Telephone and Telegraph is of long standing. The research bureau of the latter company has been at work for many years. The invention of machine switching did not come from the research bureau of the American Telephone and Telegraph Company. It is accepted as a great advance over manual switching in large cities. The Bell Company began the installation of machine switching in the cities of Toronto and Montreal four years ago and will not complete the machine installation in these cities before 1936. The telephone systems of the four western provinces of Canada have been operated by machine switching in all the large cities for many years. The delay in introducing machine switching in the two great cities of Quebec and Ontario by the Bell Company is not evidence that its connection with and subordination to the American Telephone and Telegraph has been of advantage to its subscribers by giving them service ahead of or even abreast of the times. Whatever benefits may have accrued to the company by reason of its connection with the American Telephone and Telegraph, there can be no question that in the vitally important matter of machine switching. subscribers in all the large cities of Ontario and Quebec have suffered from delay very much more greatly than subscribers in other systems not so closely connected with the American Telephone and Telegraph.

It was stated at the hearing that the lump sum agreed to be paid by the Bell to the American Telephone and Telegraph Company on the contract under consideration, would amount to approximately one-seventh of the net revenues

of the company.

I am unable to find that the company should be authorized to levy increased tolls upon its subscribers in order that so large a proportion of its net revenue might be transferred to the American Telephone and Telegraph without more

definite evidence of value received.

As the Bell Company is an extensive and well managed enterprise, and as it has regularly paid an 8 per cent dividend, the selling value of its shares has had a fairly wide range and usually well above par. The total share capital authorized is \$75,000.000, of which \$48,694.600 has been issued and on which 8 per cent dividend has been consistently paid. Of course the percentage of dividend is a matter of judgment of the management subject to the financial position of the company as it stands from time to time.

If the market value of money is say 10 per cent and Bell stock only paid a dividend of 8 per cent, the selling value of its stock would naturally be below par. That is, \$100 invested in a share of Bell stock and drawing only 8 per cent dividend, would bring the owner \$8 a year. If the standard rate of interest at that time were 10 per cent, \$80 invested at that rate would bring the owner \$8 a year. Therefore the \$100 of Bell stock yielding an 8 per cent dividend would only be earning the same amount as \$80 otherwise invested. Under that condition, the value of Bell stock would be below par. An investor would then only pay for a share of Bell stock such price as he might expect the same amount of his money to yield, if otherwise invested.

On the other hand, if the general value of money which had been 8 per cent dropped to 6 per cent, so long as the Bell Company paid 8 per cent, \$100 invested in a share of Bell stock would give the same return as \$133.33 otherwise invested at 6 per cent. Therefore during that condition of the money market Bell stock would naturally be above par; that is worth more than \$100—just how much more would depend on many and changing circumstances. As the company sold \$30,000,000 of five per cent bonds in 1923, it is safe to assume that money at that date was certainly not worth 8 per cent, probably not more than 6 per cent.

In the years 1921 to 1925 the company sold to shareholders \$17,843,900 stock at par. At the low average market value of the stock in each month in which sales to shareholders were made, this stock had a marketable value of \$21,373,117 or a difference between the par value at which it was sold and the minimum market value at time of sale of \$3,529,217.

Money received from sales of stock is the original capital of a company. If the stock sells below par, as is frequently the case, the company must stand the loss. It therefore appears reasonable that if stock issued will sell above par, the company should have the benefit. In some instances, the company did take the benefit of the selling value of the stock when it went above par. In that case the actual value of the stock was vested in the company and became part of its assets. But in the case of the stock sales mentioned between 1921 and 1925 inclusive, in which the sales were at par, the individual shareholder and not the company got the benefit of the difference between par and market price.

The practice of the company in selling shares worth more than par to its shareholders at par was defended by the president of the company. It was stated that it was a not unusual practice with prosperous companies. On this point it would seem to be proper to draw a distinction between a company engaged in competitive business and a company having a monopoly in operating a public utility. In the case of the competitive company the burden of its acts rests upon itself. But in the case of the company whose service is a monopoly and whose tolls are fixed or varied on the responsibility of public authority, presumably having regard for the public interest. I am unable to concede that the company should be authorized to charge tolls which have in view the payment of an 8 per cent dividend on stock which did not realize for the company the increased assets that its actual value made available, to the amount of \$3,529,217 on the \$17,843,900 of stock which was sold to shareholders at par in the years 1921 to 1925.

In this connection it is worthy of mention that the financial columns of the Menticeal Star of February 18 last report Pell common stock as selling at \$146\frac{1}{2}\$ at the opening of that day's market, jumping rapidly to \$158\frac{1}{2}\$, the highest level since November, 1915. After the peak of \$158\frac{1}{2}\$, there was a reaction to \$152, with a subsequent recovery to \$153\$, the net gain during the day being 8 points. The opening price of \$146\frac{1}{2}\$ indicated a value of money, expressed in terms of Bell Company shares expected to pay an 8 per cent dividend, of less than 6 per cent. Increased tolls that would enable the company to earn a 3.5 per cent surplus over and above the 8 per cent dividend, and in addition substantial

increases in depreciation reserve, when money for Bell Company shares is freely offered at less than 6 per cent, would not seem to me to have sufficient warrant.

It was stated during the hearing that the program of 'development and improvement by the company involved capital expenditures of \$87,000,000 within the next five years. The total assets of the company at the end of 1925 amounted to \$114,000,000. An addition of \$87,000,000 would be more than 75 per cent of the present total. It is difficult to appreciate the useful purpose of such large additions to or changes in the present plant and equipment as would involve such large expenditures in such a short time. That, however, is not a concern of the Board. But I do understand it to be a concern of the Board to give the company due notice that capital expenditure made for the benefit of stockholders cannot be charged to subscribers in increased rates, without convincing evidence that the best interests of subscribers as well as shareholders will thereby be served.

The company is in process of installing machine switching apparatus in the cities of Toronto, Montreal and Quebec. Its present program in regard to these cities was begun in 1924 and will not be completed until 1936. No suggestion was offered that the lesser cities or towns of the two central provinces throughout which the Bell has a monopoly of telephone service, were to be given the benefit of the modern apparatus. While the suggestion was made that the installation of machine switching in Toronto and Montreal was a costly operation, it was not asserted that it would involve the expenditure of \$87,000,000 or any considerable part of that amount.

It was agreed by witnesses both for the company and for the contestants that the installation of machine switching would mean substantial savings to the company in operating expenses. That being accepted, there would seem to be no ground for increased tolls because of capital investment made with the express purpose of reducing operating costs.

On page 54 of the company's brief the statement is made that,—

In 1926, assuming the estimated last three months as actual, the company fell short of earning its dividend by \$1,428,000.

According to Mr. Sise's rebuttal testimony it is estimated, based on a careful study of 1927, that if the present rates remain in force, the company will fail to earn its dividend by \$2,007,000.

It would appear from this that there were extraordinary expenses in 1926, as compared with 1925, and still more expected in 1927. Of the extra expenses in 1926 over 1925 there would of course be the difference in percentage going to the credit of depreciation reserve, which was 4.75 per cent in 1925 and 5.41 in 1926 and 1927. On a depreciable plant of, say, \$100,000,000 that would amount to \$660,000. There was also an increase of nearly a million dollars in current maintenance, as between 1925 and 1926. The large increase in this account was said to have arisen out of the changes from manual to machine switching in progress in Toronto, Montreal and Quebec. But it is not apparent that current maintenance should be charged with any part of the extra expense following upon the installation of a new system of operation. It would seem fair that whatever extra expense was entailed by the installation of machine switching should be a part of the capital cost to be borne by the shareholders for the sake of the increased efficiency of the service they were thereby able to give, and also for the sake of the greater economy in operation they were able to attain.

Even if the higher current maintenance charges during installation of the new system were properly chargeable to current revenue, it would be entirely improper that tolls should be fixed on the basis of these higher charges, to be effective after the economies of the new system had accrued.

In his statement appearing in the company's report for 1925 the president gives as the first reason for the application,-

To establish a more equitable schedule of rates, removing inequalities and discrimina-

tions which have arisen from changed conditions in the communities served.

It is of course a fact that changed conditions may increase or decrease the value received by a telephone subscriber and that therefore, changes of rates so that they shall be more nearly proportioned to value of service, are in order from time to time. It does not appear, however, that a radical readjustment of rates should be accompanied by a radical gross increase. In the case of the present application, a proposed gross increase of 2³/₄ millions a year is proposed to be placed in by far the largest proportion upon the business phones in the cities of Montreal and Toronto. If there were no gross increase proposed, the question of the preportion of gross revenue to be paid by the various classes of service could be more easily and amicably adjusted. If that were once settled and an increase of rates ever became necessary, all telephone users would pay in equal proportion and there would not be the sense of grievance that prevails in regard to the present application under which a special class is singled out to bear very much the greater part of the burden.

I am unable to concede that a proper readjustment demands that the rates

shall be increased as contemplated by the present application.

In making its claim for increased rates the company asserts the right to earn a surplus of 3.5 per cent over an 8 per cent dividend on capital stock; it also claims an earning of 5.41 per cent on its depreciable property, which is an increase of ·3 per cent on the average of the past fifteen years; it also claims the right to earn dividends on the estimated total value of its property.

The new schedule of rates proposed is of course intended to meet these several claims. It therefore, to that extent, provides for an increased earning

by the company without regard to service rendered the subscribers.

The evidence brought before the Board has in my opinion established,—

(1) That the rates approved by the Board in 1921 were not only adequate but ample to meet the proper requirements of the company as of

(2) That since 1921 there has been a continuous and regular expansion of the company's business accompanied by continuously substantial and

increasing profits on operation.

(3) That it was not established by evidence at the hearing that there had been any necessary increase in basic costs of any kind since 1921.

(4) That common knowledge of the decreased costs of food, labour, materials and money since 1921 was confirmed at the hearing.

Having regard to these facts, I am of opinion that the company has failed to sufficiently support its application, and that the application should be dismissed.

COMMISSIONER LAWRENCE:

I agree with the judgment of Mr. Commission Oliver, and wish to say that the following extract from the proceedings of the Board of November 25, 1926, of the cross-examination of Mr. C. F. Sise, which is self-explanatory, might be of interest to the telephone subscribers of Ontario and Quebec.

C. F. SISE, CROSS-EXAMINATION RESUMED BY MR. GEARY

Thursday, November 25, 1926 (Vol. 485, p. 16715)

Q. What is your service contract expense, in 1925?—A. \$390,000.

Q. And in 1926?—A. \$420,000. Q. And in 1927, estimated?—A. \$450,000. Q. That is, under the present rates?—A. Yes.

Q Under the rates asked for, how much would they be in 1927?—A. It is shown on exhibit No. 176.

Q. How much?—A. \$480,000.

Q. That is shown on what amount, on the \$33,184,000 as shown in exhibit 176; is that

right?—A. Yes, that is right.

Q. That is really on the basis of \$32,000,000, is it not?—A. I worked it out, Mr. Geary. I think it must be that. On the basis of \$30,000,000, it is \$450,000, and on \$32,000,000 it would be \$480,000.

Q. So that you note an increase to just \$816,000 to get an extra \$30,000; you make it

\$510,000, is that right?—A. Yes.

Q. That is, your revenue, if you get this proposed increase in 1927 would provide the American Telephone and Telegraph Company automatically with an increase of \$30,000?-

Q. It would entitle the American Telephone and Telegraph Company to that amount

of money?-A. Yes.

Q. And bring your receipts within \$816,000 of the amount required to give them still

another \$30,000?—A. That is right.

Q. The point of my question is this, that automatically and without any further growth in business at all, an increase of rates would immediately jump your contract expenses up \$30,000?—A. That is correct. The contract speaks for itself. It says "Payment on revenue."

Q. You do not dispute that that is the case?—A. No, sir.

Q. That is, without any extra service or anything of that sort.

Commissioner Lawrence: Do I understand that that is without any extra service?

Mr. Geary: If the company were to get the increase in rates it asks for, there would be \$30,000 more payable to the American Telephone and Telegraph Company at once, without their having to take on any extra services at all, no extra complexity of plant, or anything like that. That is, the increase in rates automatically increases the payment to the American Telephone and Telegraph Company.

Mr. Oliver has explained a considerable part of the relationship between the Bell Telephone Company, the Northern Electric Company and the Northern Electric Manufacturing Company.

Also between the Bell Telephone Company and the American Telegraph and Telephone Company, but I think there should be an investigation into the transactions between these companies, for a contract that will automatically, without any further growth in business or any extra service, immediately jump the contract expenses up \$30,000, is unfair to subscribers of the Bell Telephone Company.

I understand that the law does not permit of an investigation into the affairs of the companies mentioned above, and think that an amendment along this

line might be considered.

APPLICATION MCGREGOR & MCINTYRE, LIMITED, TORONTO, ONT., IN re ALLEGED OVERCHARGES ON SHIPMENT OF DERRICK-CANADIAN PACIFIC RAILWAY

Ruling of Board Dated 14th March, 1927

The applicant company's claim is set out in a letter dated September 16, 1926, which reads as follows:—

We filed a claim against the Canadian Pacific Railway claiming that as this was bridge builders' erection equipment, the actual weight of car and contents, less 50 per cent should be applicable, whereas under the Canadian Pacific's file 160375, they declined it, stating it should come under classification of cranes and derricks, railway or wrecking, giving as their authority item 2, page 26, Supplement 10 of Canadian Classification No. 16.

The item under which we are claiming 50 per cent of the actual weight of car and contents, is No. 46, page 116 of Classification No. 16. The shipment actually consisted of bridge builders erection equipment, containing frame, boom, rigging, engines, etc., and was of such a construction that it could be knocked down for shipping, as it was in this instance. Our principals also advise us that it is altogether different from a railway derrick, in that the latter is a permanent structure. This shipment was on a car supplied by the shipper and we feel that our contention is correct, and would ask that you kindly give a ruling as to the correct rate to be applied in this instance.

A copy of the application was sent to the Chairman of the Canadian Freight Association who filed the following submissions:—

This particular derrick was one that could not be unloaded from the car as it was part of the car isself and was one that could only be operated from a railway track. All such articles are charged the actual weight of car, trucks and contents, see item 2, page 26 of Supplement 10, item 82, page 111 of Classification No. 16.

On investigating I find that the car, subject of correspondence, was originally built and equipped by the Canada Foundry Company at Davenport, Ont., was later absorbed by the Canadian Allis-Chambers Ltd., and in 1921 was disposed of to Messrs. McGregor and McIntyre. Ltd. The understructure is entirely of steel, specially designed and constructed for the permanent reception of a contractor's outfit particularly building of bridges, and consists of a crane or derrick, donkey engine, winch and an appliance for moving the car back or forward on the track. If the crane or derrick and other parts of the outfit were removed from the car, it could not be used in ordinary service without being practically reconstructed. The derrick being a permanent fixture is operated from the platform of the car, on which it is constructed, and is never unloaded from the car at the point where used. It is a car of practically the same underconstruction as all of the wrecking cars equipped with a crane or derrick used by the railway companies, except that the crane or derrick of the railways is of a shorter arm construction than that used generally in the building of bridges and other classes of construction work.

To which the applicant company replied:—

The car in question has an understructure of steel, and although used for the sole purpose of transporting bridge-building erection outfits, it certainly could be used for other purposes by the simple way of unbolting the engine, base of boom, winch, etc., and removing them from the car.

In transit this car ceases to be a derrick, in that the boom and rigging is dismantled and loaded on another car and therefore is not a permanent fixture as inferred by the Canadian Freight Association. The articles being bolted to the floor is similar to any other shipments such as traction engines and threshers being blocked and spiked to the floor of a car, and could be easily removed by unbolting.

This crection equipment, we admit, is not unloaded after once being set up after it has reached the point where it is to be used, till the work is finished, and then the boom and rigging are again dismantled; although if unloaded it could still be used as erection equipment and the car would still remain a car and could be used for transporting girders, beams, etc.

This outfit differs from the railway cranes which the writer has seen, in that the boom and arm are fabricated accordingly to length required, and the base remains stationary, the arm swinging on a swivel on the base, whereas the railway cranes were of a solid arm construction and swung with the base.

Ruling

The Board ruled that item 2, page 26, supplement 10 to Canadian Freight Classification No. 16, in effect at the time the shipment moved, was properly applicable, and that the shipment in question consisted of a derrick on its own wheels.

IN TO RAILWAY MAIL SERVICE

Ruling of Board dated March 11, 1927

Complaint was made by the General Superintendent of Postal Service that the Canadian National Railways proposed to operate their train No. 6 out of Sarnia as a fast train, thereby eliminating all stops between Sarnia and London, and that if the stops for important places such as Strathroy. Watford and Wyoming were eliminated, the postal car service would be practically worthless.

The Chief Operating Officer of the Board, who investigated the complaint, reported among other things that the existing passenger service appeared to be satisfactory, and that no complaint had been made to the Board since train No. 6 was placed on the present through schedule making no stops Sarnia to London.

Ruling

The Board ruled that it did not consider it should attempt to rearrange passenger service having regard to mail service alone; that passenger trains are run primarily for passenger service; and that it is not the function of the Board to make train schedules for the carriage of mail.

APPLICATION ROSS LEAF TOBACCO COMPANY, LIMITED, IN re TRANSIT RATES ON RAW LEAF TOBACCO

Joint Report of Assistant Chief Traffic Officer and Counsel, dated March 9, 1927, adopted as the Ruling of the Board.

The application was heard at Toronto, February 22, 1927. Mr. E. H. Villar, Secretary-Treasurer of the company, appeared for the applicants, and Mr. G. C. Ransom for the Canadian Freight Association.

The applicants asked for special rates from St. Thomas to the seaboard, via Kingsville, with stop-over privileges at Kingsville, in order that the tobacco may be completed and then shipped to the seaboard. It is not alleged that the present rates are unreasonably high, nor that in refusing stop-over privileges at Kingsville the railways are unjustly discriminating against the applicants and in favour of other industries similarly situated.

The principal ground upon which the Tobacco Company bases its application, as developed by the correspondence and at the hearing, is, shortly, that its endeavour to establish a new industry, in connection with which a large sum of money has already been invested, should be assisted. It was pointed out to Mr. Villar that the Board has held that its jurisdiction as to tolls concerns only their reasonableness; that no matter how much the development of an industry may be in the public interest, the Board is not authorized to be an arbiter of industrial or public policy, and cannot strike a low toll basis independent of its reasonableness (Crushed Stone, Limited, et al v. Grand Trunk Ry. Co., 23 Can. Ry. Cas. 132), unless of course unjust discrimination prohibited by the Act is shown to exist; that the Board is not justified in ordering the fixing of experimental tolls, since it has not been established that the tolls charged are unreasonable (British Columbia News Co. v. Express Traffic Assn., 13 Can. Ry. Cas. 176); that the Board cannot take into account matters of business policy and railway administration, but can only inquire whether tolls are excessive or unfair. Western Ontario Municipalities v. Grand Trunk, Michigan Central, and Pere Marquette Ry. Cos., 18 Can. Ry. Cas. 329.

As to the stop-over privilege at Kingsville in order that the tobacco may be completed and then shipped to the seaboard, Kingsville is located on the Pere Marquette Railway, 97 miles west of St. Thomas. As the Pere Marquette ends at St. Thomas, it publishes no rates from that point to destinations east. The tobacco is back-hauled locally by the Pere Marquette from St. Thomas to Kingsville, where it is unloaded, reloaded when cured, and forwarded under a joint tariff to the seaboard.

The stop-over privilege applies usually in connection with through rates, the traffic, when forwarded from the stop-over point, being subject to the through rate plus the stop-over charge and out of line haul charge, if any. Since there is no through rate in effect from St. Thomas via Kingsville to the seaboard, and as the movement is a combination of the local rate from St. Thomas to Kingsville, and a joint rate from the latter point, it is not a case where the stop-over arrangement applies, even assuming the Board had power to order that the privilege be granted.

It was also pointed out to the applicants at the hearing that the Board, by may rulings prior to the consolidation and revision of the Railway Act, 1919, at any rate, had decided that shippers were not entitled to a stop-over privilege as a matter of right, that it was entirely discretionary with the companies, unless here again it was shown that the discriminatory clauses of the Act had been or

were being violated.

In the application for a stop-over privilege on telephone poles, it was held that the creosoting of telephone poles in transit is not a customary or usual service in connection with the business of a railway company, within the meaning and intent of subsection (ϵ) (1) of section 312 of the Railway Act, as amended in 1919, and that, therefore, the Board is without jurisdiction to require companies to give the service asked for, unless necessary to intervene to prevent unjust discrimination or difference of treatment. Province of Alberta v. Canadian Pacific Railway Co., 27 Can. Ry. Cas. 317.

For these reasons our recommendation is that the application be dismissed.

IN re rates on bituminous coal, carloads, from Erieau, ont., pere marquette railway and michigan central railroad

Judgment of Assistant Chief Commissioner, dated March 26, 1927, concurred in by Chief Commissioner, Deputy Chief Commissioner and Mr. Commissioner Boyce.

Application is made by the Canadian Canners Limited, for an informal ruling on the question of rates applicable in October and November, 1924, on bituminous coal, in carloads, from Ericau, Ont., to Waterford, Ont., via the Pere Marquette and the Michigan Central Railways. It is set out that the Michigan Central Railway charged at the rate of \$1.40 per ton. Applicants submit that the 90 cent rate from Ericau to Hamilton is the maximum which should not be exceeded under the long and short haul clause. It is represented by the railway that two carloads of coal are concerned. The railway states the cars were shipped on November 4, 1924.

The applicants refer to section 328 of the Railway Act of 1919 as classifying freight tariffs. Then, reference is made to section 329, subsection (3), which deals with special freight tariffs. Reference is also made to subsection (4) as

dealing with competitive tariffs.

Under R. S. C., 1906, chapter 37, section 315, subsection (5), it is provided: "The Board shall not approve or allow any tolls which for the like description of goods carried under substantially similar circumstances and conditions in the same direction over the same line is greater for a shorter than for a longer distance, within which such shorter distance is included, unless the Board is satisfied that owing to competition it is expedient to allow such toll."

Under the legislation above cited, one criterion of what is forbidden is found in the consideration of whether the movement was "in the same direction over the same line." The successor in the Railway Act of 1919 of this provision is to be found in section 314, subsection (5). With one exception, the wording is identical—the change is the substitution for the words "over the same line" of the words "over the same line or route." The additional word "route" introduces a new feature.

Section 326, subsection (3) of the legislation of 1906, is the predecessor of

section 329, subsection (3) of the present Act.

The legislation of 1906 sets out what special freight tariffs are to specify. The only portion which it is necessary to quote is that dealing with the long and short haul clause, viz.. "And greater tolls shall not be charged thereon for a shorter than for a longer distance over the same line in the same direction, if such shorter distance is included in the longer."

Here again what is significant are the words "over the same line".

Section 329, subsection (3) of the legislation of 1919 is in identical words with section 326, subsection (3) of the previous Act, both as to the portion of the subsection which has been quoted, as well as in the case of the portion which has not been quoted. Here again the significant words are "over the same line".

The difference in wording which has been pointed out must be given weight. The application as launched deals with a special freight tariff which, in terms of the application, is treated as falling within section 329, subsection (3). The situation then is that under existing legislation section 314, subsection (5), is applicable to a movement "over the same line or route". Section 329, subsection (3), which the applicant considers is governing, is concerned with the movement "over the same line."

The word "route" implies two or more lines of railway over which the movement takes place. The word "line", having in mind the amendment by Parliament, means something different from "route". "Same line", must mean

one line.

The rate to Hamilton, which is appealed to as a maximum, necessitates a movement over the Pere Marquette, the Michigan Central and the Toronto, Hamilton and Buffalo Railways. It is urged that while the Toronto, Hamilton and Buffalo Railway is a separate company under a management separate from the Michigan Central, both of these railways are constituent parts of the New York Central Railway. Even if this were accepted as conclusive, there would have to be borne in mind that there is another line, the Pere Marquette, participating in the movement. As a matter of fact, however, the Canadian Pacific Railway is also interested in the Toronto, Hamilton and Buffalo Railway.

The movement from Erieau to Waterford involves a movement over two lines. Neither Waterford, the shorter distance point, nor Hamilton, the longer distance point, is, on the facts stated, on the "same line"; consequently, the

application fails.

COMPLAINT CANADIAN LUMBERMEN'S ASSOCIATION, et al, in re line haul charges AND TRANSIT RATES

Judgment of Assistant Chief Commissioner March 31, 1927, concurred in by Deputy Chief Commissioner and Commissioners Messrs. Boyce and Oliver.

The matter involved is connected with, and arises out of the Application of the Canadian Lumbermen's Association for a ruling of the Board in the matter of charge for extra haul out of the direct run on lumber shipped from Pembroke, Ontario, to Ottawa for working and reshipment to Toronto and points west thereof, via Canadian National Railways. In this application, the report of the Chief Traffic Officer which follows, issued as a ruling of the Board in the matter. The report in question sets out, with particularity, the questions which were involved. and it appears to be of advantage, in connecting up the matters concerned in the application, to cite the report in extenso. The report is as follows:-

The question here at issue relates to the propriety of assessing a charge for extra haul out of the direct run with respect to lumber shipped from Pembroke to Ottawa for dressing, etc., and reshipment to points Toronto and west thereof, which is handled via Canadian National Railways. The written submissions of both applicant and the railway company have been filed with the Board.

The regulations governing stop off and reshipping on lumber, carloads, for dressing, etc., are contained in Canadian National Railways Tariff C.R.C. No. E-697. The tariff stipulates

that.-

Shipments of rough lumber, carloads, for dressing, resawing, kilndrying or sorting and reshipment, within six (6) months after arrival at stop-off point, may be given the benefit of through rate, from original shipping point to final destination, plus one (1) cent per 100 pounds, minimum \$5 per car for stop-off (provided stop-off point is on the direct run see rule (C) under the conditions shown herein). Rule C which is referred to provides:-

C. If stop-off point is not in the direct run, a charge of 1 cent per ton per mile (minimum 20 miles) for haul out of direct run will be made in addition to stop-off charge, except that such charge will not be made between Sudbury Junction and Sudbury, Ont., on lumber for dressing at Sudbury, Ont., and reshipment to points south of Sudbury Junction, Ont. Short line mileage to govern on competitive traffic.

With respect to traffic originating on the Canadian National Railways at Pembroke and destined to Toronto, there are three available routes: (1) via Golden Lake and Scotia Junction; (2) via National Junction and Ottawa; and (3) via National Junction and Rideau Junction; the mileages via those routes being 301.7, 337.2, and 322.4, respectively.

Applicant sets out that traffic from Pembroke to Toronto or points west is handled by

the Canadian National Railways via Ottawa; that the railway company contends that, as the short mileage is via Golden Lake and Scotia Junction, when the traffic is consigned for dressing, etc., at Ottawa and reshipment, they are entitled to a charge for extra haul out of the direct run based on the difference between the mileage from Pembroke to Toronto via Golden Lake and Scotia Junction as against the mileage via National Junction and Ottawa. Applicant contends that as the railway company undertakes to move this traffic through Ottawa for reasons of economy or service or both, by so doing they establish the movement via Ottawa as the natural route for this traffic, and consequently are not entitled

to make a charge for extra haul out of the direct run.

Counsel for the railway company states that the rates and distances from each individual station must be dealt with specifically; that the rate on lumber from Pembroke to Toronto is based on a constructive mileage scale which is via Scotia Junction. He further states that if the shippers were prepared to pay on the basis of the actual mileage via Ottawa they might have some argument against the assessment of an out of line haul charge. In the issue that is here presented, I do not see that there is any relationship between the rate itself, which is not in question, and the charge for a haul out of the direct run. However, the foregoing statement of counsel for the railway company is particularly interesting for the reason that the specific lumber rates to which he refers are built up on a mileage scale, and under this mileage scale the same rate applies for distances over 300 but not over 350 miles. It will be noted, therefore, that regardless of the mileages via the three routes, varying from 301.7 to 337.2, they would all take the same rate under the mileage scale on which the tariff is constructed. Consequently, as the rate constructed on the mileage through Ottawa would be the same as through Scotia Junction, in the terms of the railway company's submission it appears that it agrees that the shippers have an argument against the assessment of a charge for out of line haul.

However, in my opinion the proper determination of the issue here presented really lies in the answer to the question, why is a charge for haul out of direct run justified and authorized? When the traffic is stopped off at a point on the direct run and reshipped within six months it is entitled, under the terms of the tariff as already quoted herein, to the through rate plus 1 cent per 100 pounds, minimum \$5 per car, for stop-off. If, however, the stop-off point is not on the direct run, obviously additional service is involved over and above what is required of the railway company when the stop-off point is on the direct run, consequently it has been held that this additional service justifies some extra charge therefor over and above the through rate and the stop-off charge, and which is

authorized by the tariff provision already quoted.

It will be further noted that the charge of 1 cent per ton per mile (minimum 20 miles) for haul out of direct run applies "if stop-off point is not on the direct run." It is stated that although the mileage via Scotia Junction is shorter the traffic here involved is moved through Ottawa for the convenience of the railway company and in the interest of being able to give better service to the traffic. Whatever the reason, if the traffic is handled through Ottawa, how can it be held that Ottawa is not "on the direct run," and how can a charge which is justified and authorized for an additional service be with propriety assessed when no additional service, either in accord with the spirit or the wording of the tariff provision, as I see it, is performed?

The Interstate Commerce Commission apparently considered and dealt with a similar issue to what is here involved, and in the case of Rea-Patterson Milling Company v. M.K. & T. Ry. Co., Unrep. Op. A-653, stated:—

Where the back haul from Coffeyville to Parsons was an additional service performed by the carrier for his own convenience, a charge exacted for such service was unreasonable.

In my opinion a charge for haul out of direct run in this case is not shown to be justified or authorized by the railway company.

Application involving the same principle was lodged by the Canadian Shippers' Traffic Bureau on September 21, 1925. Written submissions from the applicant and the Canadian National Railways were received and considered

The Board thereafter ruled that the complaint fell within the principle referred to in the report quoted above and was, therefore, governed by the conclusion therein.

On December 21, 1925, the Canadian National Railways asked that before the ruling in the Pembroke Case was applied, either generally or to the present case, there should be a public hearing. Under the right reserved under section 19, subsection (2) of the Railway Act, the request for a public hearing was granted.

Subsequently, and before hearing had been held in this matter, the Canadian National and the Canadian Pacific Railway Companies issued amendments to various transit tariffs which provided, inter alia, that "The out of line haul will be the difference between the distance via the shortest route from point of origin to final destination, and the shortest distance from point of origin to final destination via the stop-off point." The tariff provision prior to this time had merely stipulated that if stop-off point is not on the direct run, the

charge as specified would be made for haul out of direct run.

Under date of May 26, 1926, the Canadian Lumbermen's Association made complaint against these tariff amendments and asked for their suspension pending hearing. An examination of the tariff amendments proposed showed that the effect thereof would be to set aside the ruling of the Board in the Pembroke case above referred to, a review of which ruling was still pending as a result of the application of the railway company; further, that the change in tariffs would, in some cases, constitute an advance, although an advance symbol was not shown in the tariffs, nor was statutory notice given in the case of Canadian National Tariffs C.R.C. Nos. E-697 and 1069.

By Order No. 37681 of May 29, 1926, the tariffs of the Canadian National and Canadian Pacific containing the proposed rule, were suspended. Other railway companies in eastern and western Canada have also published a similar rule; and the disposition hereinafter directed in this matter should cover the

tariffs of the other railway companies as well.

At the hearing of this matter in Ottawa, November 4, 1926, the Canadian Shippers' Traffic Bureau, the Canadian Lumbermen's Association, and others.

appeared in opposition to the suspended rule.

The railway companies contended that they had always considered that the out of line haul for which a charge is assessed, represented the difference between the distance via the shortest route from point of origin to final destination and the distance between said points via the stop-off point; that this having been their interpretation and practice, the change in wording was simply for the purpose of clarifying the tariff in view of some disputes having arisen under the wording that had been contained in the tariffs for many years past. It was admitted that the effect of the changed wording of the rule would be to nullify the ruling of the Board in the Pembroke case, and which ruling, under a similar state of facts, would be of general application. It was admitted by the carriers that even if the traffic did not move over the short line mileage, the latter would be used as a determining factor in assessing charge for out of line haul.

The Canadian Lumbermen's Association, at the hearing, alleged that the rule concerned, as contained in the amended wording and interpreted as above set out, had not been enforced in all cases in the past. Written submissions bearing on this were filed and were submitted to the railways. Other tariffs governing transit arrangements, on file with the Board, show a number of instances where traffic may be stopped off at a point which is not on the shortest direct line, without being subject to a charge for extra haul. This reveals that there has not in the past been a rigid uniform application of the practice, or rule, such as now proposed in the suspended schedules, but that on the other hand there have been apparent, in practice as well as under the provisions of certain tariffs.

exceptions to such a rule or practice.

On consideration, the ruling in the Pembroke case should be reaffirmed. The justification for the collection of a charge for an out of line haul is the performance by the railway of an additional service beyond what is involved when the stop-off point is on the direct run—the direct run being the route over which the traffic moves. When the stop-off point is on the route over which the traffic moves between point of origin and final destination, there is no justification for the charge.

Order should, therefore, go disallowing, in the tariffs under suspension by Order No. 37681, as well as all other tariffs filed with the Board by the railways subject to its jurisdiction, rules contained therein which provide that the out of line haul will be the difference between the distance via the shortest route from point of origin to final destination, and the shortest distance from point of origin

to final destination via the stop-off point.

The rules under suspension provided a table of rates showing how to compute the charge for haul out of direct run. No exception to these has been filed with the Board. The railway companies may republish the same, with an advance symbol, on thirty days' notice. This, of course, is subject to any complaint that may subsequently be received. Such complaint, if any, may be launched in the ordinary manner.

APPLICATION PROVINCE OF BRITISH COLUMBIA in re TRANSPORTATION TO

Judgment Chief Commissioner, dated May 11, 1927, concurred in by Mr.

Commissioner Oliver

The Attorney-General of the province of British Columbia has submitted a petition to this Board dated the 22nd day of September, 1926, setting out that on the 11th day of March, 1926, His Excellency the Governor General in Council, under authority of section 351 of the Railway Act. 1919, by Order in Council made and established a regulation as follows:—

AT THE GOVERNMENT HOUSE AT OTTAWA

THURSDAY, the 11th day of March, 1926.

PRESENT:

HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL

Whereas section 351 of the Railway Act, 1919, chapter 68, among other things, provides that all policemen, constables or others travelling on His Majesty's service shall at all times when required by any person having the superintendence and command of such force be carried on the railway on such terms and conditions and under such regulations as the Governor in Council makes;

And Whereas by an Order in Council, dated the twenty-fourth day of October, 1919, it is provided that the Royal Northwest Mounted Police (now the Royal Canadian Mounted Police), shall be carried on the railway at the rate of two and one-half cents

per mile:

And Whereas the Minister of Justice reports that the Attorneys-General of several of the provinces have requested that provincial police be placed on the same footing as the Royal Canadian Police Force with respect to such rates, and that he considers it reasonable and expedient that authority be granted accordingly:

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Justice and in accordance with the authority above cited, is pleased to make the following regulation, and the same is hereby made and established accordingly,

Viz:

All members of any police force maintained by and under the direction of the Government of any province while travelling on His Majesty's service shall be given first-class transportation on the railways at the rate of two and one-half cents per mile when required by any person having the superintendence and command of any such force as provided by section 351 of the Railway Act, 1919.

(Signed) E. J. LEMAIRE, Clerk of the Privy Council. The petition further sets out that such regulation was duly proclaimed in the Canada Gazette of date the twentieth day of March, 1926, but that not-withstanding the above, the Canadian Pacific Railway Company and the Canadian National Railways have refused to recognize or obey such regulation, or to give transportation to police officers of British Columbia maintained under and by the direction of the Government of the said province of British Columbia, while travelling on His Majesty's service, at the rate mentioned in such regulation, and therefore prays that this Board order and direct the railway companies aforesaid to recognize and obey such regulation and to give transportation to police officers maintained by and under the direction of the government of any province while travelling on His Majesty's service on their railways, at the rate of two and one-half cents per mile, following the provisions of such regulation.

At a sitting of the Board held in Victoria, B.C., on July 20, 1926, and before such petition was filed, the Deputy Attorney-General of the province of British Columbia, in the presence of Mr. Alistair Fraser, K.C., counsel for the Canadian National Railways, drew the attention of the Board to section 351 of the Railway Act and to the Order in Council and regulation aforesaid, as well as to the refusal of the railways to follow the same, and thereupon moved for an order of this Board to implement the Order in Council aforesaid, and in such motion Mr. Chard, for the province of Alberta, associated himself in support

thereof.

On behalf of the Canadian National Railways, Mr. Fraser replied that the Board is without power to thus implement an Order in Council passed under the provisions of section 351 of the Railway Act, taking the ground that the section in question does not include provincial police, but that the service to be rendered by the railways under the section of the Railway Act referred to, is confined to His Majesty in the right of the Dominion of Canada, and not in right of the several provinces.

He submitted further, that the railway had not received any notice that the matter would be spoken to at the then session of the Board at Victoria, and stated that if a copy of the application were served upon him, he would make formal reply on behalf of the railway within the time fixed, and the matter was

compelled to rest at that point.

Since the session at Victoria in July last, the petition above referred to has been submitted to the Board and served upon the railways. An answer thereto has been filed by Mr. Flintoft, Assistant General Solicitor for the Canadian Pacific Railway Company, concurred in by Mr. Fraser, on behalf of the Canadian National Railways. They agree in contending that there is no authority under section 351 of the Railway Act for issuing the Order in Council in question; that it is, therefore, void and of no effect, by reason whereof no order of this Board should be made, but that the application should be dismissed.

The dispute between the parties now before the Board is within a very narrow compass, and is involved in the construction of section 351 of the Railway

Act which reads as follows:-

CARRYING HIS MAJESTY'S MAIL AND FORCES

351. His Majesty's mail, His Majesty's naval or military forces or militia, and all artillery, ammunition, provisions or other stores for their use, and all policemen, constables or others travelling on His Majesty's service, shall, at all times, when required by the Postmaster General of Canada, the Minister of Militia or the Deputy Minister of Militia, or any person having the superintendence and command of any police force, respectively, be carried on the railway, and with the whole resources of the company if required, on such terms and conditions and under such regulations as the Governor in Council makes.

The above recited section throws upon the railway companies the burden of carrying "any person having the superintendence and command of any police force . . . on such terms and conditions as the Governor

in Council makes", and the Order in Council has directed that members of any provincial police force, while travelling on His Majesty's service, be given a reduced rate as therein specified by regulation concerning the carriage of the parties named therein, no part of which required any sanction or order on the part of this Board to make effective.

If members of the several provincial police forces maintained by and under the direction of the governments of the several provinces come within the section immediately above quoted, the railway in compliance with the Act should per-

form its duty as defined therein.

The section of the Railway Act which clothes the Board with certain powers respecting reduced rates and free transportation, being sections 345, has been construed as giving the Board no originating jurisdiction, but as empowering the Board to approve or permit of free carriage or reduced rates in certain instances therein set out. It makes no reference to the parties mentioned in section 351 which is entitled "Carrying His Majesty's Mail and Forces", and there seems to be no relation between these two sections of the Act.

The railways contend that there is no power in the Governor in Council to make the regulation referred to. Concerning this question no opinion is expressed. It seems clear, however, that no action of the Board is contemplated, neither is any such action necessary to implement what may properly be done under section 351, and for that reason I am of opinion that the petition should

stand dismissed.

In the climination of all level crossings in the city of montreal, p.g., from bonaventure terminus westward—canadian national railways

Judgment of Deputy Chief Commissioner, dated May 27, 1927, concurred in by Commissioners Messrs. Boyce and Lawrence.

These matters were heard in Montreal on May 10, 1927, before Mr. Commissioner Boyce, Mr. Commissioner Lawrence and myself.

There appeared before us:-

Alistair Fraser, K.C., (Commission Counsel), for the Canadian National

Railways

Paul Mercier, K.C., M.P., and Hon. Alfred Leduc, M.P.P., for the various interests included in St. Henri, St. Cunegonde and other western parts of Montreal.

W. H. Butler, K.C., for the Corporation of the city of Montreal.

J. K. Smith, for the Montreal Board of Trade.

François Fauteux, for the city of Verdun.

J. C. Groves-Contant and S. Ouimet, for the Montreal Chamber of Commerce.

C. N. Armstrong, for the Montreal Central Terminal Company.

Pierre Beullac, K.C., for the Bell Telephone Company.

William Tremblay, for Maisonneuve.

William L. Best, for the Brotherhood of Locomotive Firemen and Enginemen.

W. L. Scott, K.C., for the New York Central Railway Company.

The question of grade separation, or the abolition of grade crossings on the Canadian National Railways' tracks between Turcot yard and Bonaventure station; and St. Henri and Point St. Charles was raised by the Montreal District Board of Trade in 1910. In the same year, the mayor in his inaugural address, stated that among other things, the efforts of the Board of Control would be in the direction of urging the consideration of plans for the abolition of railway crossings on the street level. The matter was also referred to by ex-Mayor Payette in his valedictory address, and by Alderman Lapointe in

his reply to the inaugural address. On April 12, 1910, the Board made an order (No. 10117) fixing April 28 as the date for hearing the question of doing away with all level crossings referred to by the Board of Trade of the district of Montreal, particularly those of the Grand Trunk Railway in the city of Montreal, west of Bonaventure station. The city of Montreal, the Montreal Street Railway, the Montreal Water Power Company, the City Waterworks of Montreal, the Bell Telephone Company, the Canadian Pacific Railway Telegraph Company, the Great Northwestern Telegraph Company, and the Grand Trunk Railway were made parties to the proceedings.

At the hearing, there was no discussion as to the necessity of the construction of a viaduct, it appearing to be the general opinion that there should be grade separation, and Mr. Archambault, for the city, stated that the city of Montreal was ready to abide by any decision which might be given by the Board in connection with the question of elevation of the tracks of the Grand Trunk Railway, and farther, that the city had been given permission to borrow

\$2,000,000 as its share of the cost of track elevation.

After further discussion, it was agreed that the Grand Trunk Railway should have until August 1 to prepare preliminary plans and, after considerable delay, the railway filed plans about the end of April. 1911, and at a hearing in Montreal on May 18, 1911, the city asked for further delay so that it could prepare plans, together with criticism of the Grand Trunk proposition, which

delay was granted.

The plan submitted by the railway shows track elevation from Bonaventure station to the east end of the Turcot yard, which I will call Section A, and from St. Henri station to the west end of the Point St. Charles yard at Wellington street, which I will call Section B. On Section A there are street openings sliown at Mountain, Guy, St. Martin, Chatham, Fulford, Vinet, Atwater, Rose de Lima, St. Henry Place, St. Marguerite and St. Elizabeth (now De Courcelles) streets, and at Côte St. Paul road (now St. Remi street). The distances between these openings vary from 580 feet to 1,490 feet.

On Section B openings are shown at Notre Dame, St. Ambroise, St. Patrick. Atwater, D'Argenson, Charlevoix, Hibernia and Wellington, varying in distance

apart from 670 feet to 1,610 feet.

The estimate of the company, which is not of much value now, for a four-track viaduct (five tracks from Atwater avenue to the Bonaventure station) and not including the station, amounted to \$5,600,000. In order to provide for this number of tracks, considerable land would have to be acquired. Mr. Mountain, then Chief Engineer of the Board, made estimates (1) of what it would cost to elevate the Grand Trunk Railway tracks at present on the level and (2) in addition, what it would cost to elevate all the ground that the Grand Trunk now have without adding additional tracks, but leaving the embankment ready for additional tracks, if required, and not including the structures for the additional tracks. The estimate for the former was \$4,046,952.80 and for the latter \$5,000,000.

At the hearing in Montreal, February 22, 1912, it was practically decided that all the streets should be left open except one near Mountain street. That would mean some thirty-one openings in all. As to seniority, it was claimed that twelve of the streets were in existence at the time the railway was built,

and are therefore senior to the railway. The list follows:-

Mountain, Acqueduct, Guy, Richmond, Seigneurs, Chatham, Canning, Upper Lachine road (St. Henri Square), Côte St. Paul road (now St. Remi street), Charlevoix, Notre Dame (St. Henri station), and Wellington—a total of 12.

The railway claimed seniority at the following:-

Versailles, Lusignan, St. Martin, Fulford, Dominion, Vinet, Atwater, Rose de Lima, Convent or Metcalfe, St. Ferdinand, St. Philippe. St. Margaret, St. 62863-51

Elizabeth (now De Courcelles strect), Notre Dame, St. Ambroise, St. Patrick,

Atwater, D'Argenson, Hibernia—a total of 19.

Between 1912 and 1916 a great deal of discussion took place, many details were settled, and on February 25, 1916, Mr. Mountain, Chief Engineer of the Board, made a new estimate of the cost of grade separation, placing it at \$7,680,787.

The matter dragged on until 1920, by which time everything had advanced se much in price that all the parties, apparently, were content to let it die, and

nothing appears on the file as to grade separation since the above date.

Herewith is a list of the crossings where accidents have occurred, the dates and the cause where it was ascertainable:—

St. Henri Square—	Gates
October 10, 1926	1 killed.
March 11, 1914	Gates
January 22, 1910	1 injured.
October 9, 1926	1 killed.
St. Elizabeth Street (now De Courcelles Street)—	1 killed. Passed under gates.
November 12, 1910	1 killed. Passed under gates.
Angust 24 1918.	1 injured. Passed under gates.
May 31, 1921. October 14, 1921	1 killed. Fassed under gates.
January 6, 1924	1 injured. Improper operation of gates1 injured. Fassed under gates.
May 4, 1926	
t inct Street—	
February 21, 1908. June 5, 1911.	1 killed. Gates out of order.
December 22, 1914	1 killed. Passed under gates.
December 5 1916	1 killed. Walking on track.
May 15, 1918	1 killed. Fassed under gates.
October 18, 1919	1 killed. Tassed under gates.
Atwater Avenue—	1 injured Passed under gates
November 11, 1914	1 injured. Passed under gates. Ambulance wrecked. Gates being rebui
	2 watchmen on duty.
November 25, 1914 February 5, 1916	1 killed1 killed. Passed under gates.
Sentember 5, 1918.	1 injured. New gates being installed. Ci
	protected by watchman.
October 2, 1923. October 15, 1924. December 19, 1925.	1 injured. Passed under gates.
October 15, 1924	I injured. Passed under gates.
St. Marguerite Street—	I injuited.
February 27, 1909	
December 20, 1915	
Rose de Lima Street—	Gates installed 1918.
August 20, 1907	1 injured.
May 5, 1908	2 injured.
August 10, 1913 February 5, 1921.	1 injured. Passed under gates.
Acqueduct Street—	injuted.
November 25, 1911	1 killed. Passed under gates.
Aug. 1, 1918	1 injured. Passed under gates.
July 17, 1922	1 injured. Passed under gates1 injured. Passed under gates.
Lusianan Street—	
November 4, 1925	1 injured. Passed under gates.
April 21, 1926	1 injured. Passed under gates.
September 23, 1913	
	1 killed No witnesses Gates
December 14, 1917	1 killed. Passed under gates.
December 14, 1917 October 15, 1918.	1 killed. Passed under gates1 injured. Passed under gates.
October 15, 1918. May 10, 1920.	1 killed. Passed under gates
October 15, 1918 May 10, 1920 19 June, 1920 April 19, 1924	1 killed. Passed under gates
October 15, 1918 May 10, 1920 19 June, 1920 April 19, 1924 Richmond Street—	
October 15, 1918 May 10, 1920. 19 June, 1920. April 19, 1924. Richmond Street— September 9, 1909.	
October 15, 1918 May 10, 1920 19 June, 1920 April 19, 1924. Richmond Street— September 9, 1909 January 17, 1919	
October 15, 1918 May 10, 1920 19 June, 1920 April 19, 1924. Richmond Street— September 9, 1909 January 17, 1919 March 1, 1921.	1 killed. Passed under gates. 1 injured. Passed under gates. 1 killed. Gates not lowered in time. 2 injured. Passed under gates. 1 injured. Trespasser.
October 15, 1918 May 10, 1920. 19 June, 1920. April 19, 1924. Richmond Street— September 9, 1909. January 17, 1919. March 1, 1921. January 18, 1923.	1 killed. Passed under gates. 1 injured. Passed under gates. 1 killed. Gates not lowered in time. 2 injured. Passed under gates. 1 injured. Trespasser. 1 killed. Passed under gates.
October 15, 1918 May 10, 1920. 19 June, 1920. April 19, 1924. Richmond Street— September 9, 1909. January 17, 1919. March 1, 1921. January 18, 1923.	1 killed. Passed under gates. 1 injured. Passed under gates. 1 killed. Gates not lowered in time. 2 injured. Passed under gates. 1 injured. Trespasser. 1 killed. Passed under gates.
October 15, 1918 May 10, 1920 19 June, 1920 April 19, 1924. Richmond Street— September 9, 1909 January 17, 1919 March 1, 1921.	1 killed. Passed under gates. 1 injured. Passed under gates. 1 killed. Gates not lowered in time. 2 injured. Passed under gates. 1 killed Passed under gates. 1 injured. Passed under gates.

rossing

Canning Street—
July 27, 1915 1 killed. Passed under gates.
October 13, 1923
December 18, 1923
St. Philippe Street—
August 6, 1906 1 injured No protection
December 12, 19081 injured. No protection.
February 2, 1916
September 13, 1921
October 29, 1923. 1 injured. Passed under gates. February 2, 1924. 1 injured. Passed under gates.
Notre Dame Street (near St. Ferdinand)—
December 28, 1907
March 29, 19081 trespasser injured.
October 8, 1908. 1 injured. Passed under gates. October 28, 1924. 1 killed. Passed under gates.
St. Ambroise Street—
Nov. 18, 1913
H bernia Road— Gates installed 1918.
October 23 1911 1 1 injured Passed under gates
November 17, 1913. 1 injured. Passed under gates. December 28, 1918. 1 injured. Passed under gates. January 26, 1919. 1 injured. Passed under gates. December 6, 1922. 1 injured. Passed under gates.
January 26, 1919 I injured. Fassed under gates. January 26, 1919 1 injured. Passed under gates.
December 6, 1922
June 10, 1909.
April 20, 1913. 1 injured. Day watchman.
August 7, 1916 linjured Day watchman. January 20, 1917 2 injured Day watchman
April 20, 1913 1 injured. Day watchman. August 7, 1916 1 injured. Day watchman. January 20, 1917 2 injured. Day watchman. November 20, 1917 1 injured. Day watchman.
Fulford Street— Gates installed 1918.
May 27, 1912. 1 killed. Passed under gates.
May 27, 1912. 1 killed. Passed under gates. June 9, 1914. 1 injured. Passed under gates. June 22, 1920. 1 killed. Passed under gates.
Guu Street— 1 kined. Fassed under gates.
Nov. 1, 1911
tection and interlocking plant. November 22, 1911. 1 injured. Engineer passed stop signal.
November 22, 1911. 1 injured. Engineer passed stop signal. May 30, 1914. 1 injured. Passed under gates. December 9, 1917. 8 injured. Collision with street car. Engineer
December 9, 1917
June 30, 1922. 1 injured. Passed under gates. July 8, 1924. 1 injured. Passed under gates.
July 8, 1924
Versailles Street— December 10, 1910
December 10, 1910. 1 injured. Passed under gates. March 18, 1913. 2 injured. Gates improperly operated. February 16, 1918. 1 killed Gates improperly operated.
1 injured
October 3, 1924. I injured Passed under gates.
There are thirteen tracks agrees Mountain street some protected by gates and others by watchmen.
There are thirteen tracks across Mountain street, some protected by gates and others by watchmen. August 12, 1912
June 7, 1913. 1 killed. Warned by conductor to keep off of track October 28, 1919. 1 injured. Passed under gates.
February 3, 1922
November 7, 1925
October 26, 1908
October 26, 1908 1 killed. Passed under gates. February 9, 1911. 1 killed Fassed under gates.
I injured February 22, 1913. 1 killed. Fassed under gates.
February 4, 1914. 1 injured. Horse bolted under gates.
November 3, 1916
July 25, 1917
April 10, 1920
April 4 1923 1 injured. Passed under gates.
February 22, 1913. 1 injured February 4, 1914. 1 injured Horse bolted under gates. November 3, 1916. 1 killed. Fassed under gates. November 29, 1916. 1 injured. Passed under gates. July 25, 1917 1 injured. Passed under gates. April 10, 1920 1 injured. Gates improperly operated. April 4, 1923 1 injured. Passed under gates. October 21, 1924 1 injured. Fassed under gates.

The above list, which is probably incomplete during the earlier years of the Board, covers the period from 1906 to the end of 1925 and shows that thirty-four people were killed and eighty-three people were injured. Quite a number of these accidents occurred through the improper operation of gates. It is the

practice of some of the gatemen to leave the gates down for some minutes at a time until vehicles require to cross. During the intervals when the gates are down unnecessarily, pedestrians naturally get tired of waiting and pass under the gates. This sort of thing soon gets to be a habit, and eventually someone gets caught.

In 1925, the business men of St. Henri made application to the Board for relief and proposed that an overhead bridge for pedestrians be constructed at De Courcelles street and one for general traffic connecting St. James and Notre Dame streets, in the vicinity of St. Marguerite street. The latter would cost a large amount, and, if constructed, would have to be scrapped in the event of a general scheme for grade separation being undertaken.

At Montreal, on May 10, 1927, appearing on behalf of the City of Montreal, Mr. Butler (volume 512, page 8415 et s.) stated: "I do not think there can be any doubt—at all events it is the opinion of the Corporation of the City of Montreal—that these level crossings, at all events from Bonaventure west, are dangerous and they should disappear, both because they are dangerous and for the inconvenience and delay they cause to the circulation of traffic."

Mr. Fraser, appearing on behalf of the Canadian National Railways (volume 512, page 8418 et s.), stated: "Mr. Chairman, on behalf of the Canadian National Railways, we recognize that the time has arrived when the whole question of grade crossings in the city of Montreal will have to be faced. It was dealt with, as the Board knows, some years ago, and for various reasons it had to be postponed; but it will have to be faced in the immediate future." And at page 8419: "The Board might appoint your own chief engineer to take hold of the whole situation and make a report to the Board on what the situation is to-day." And further: "I am in agreement with Mr. Butler in that respect, except that I go further and suggest that this procedure be adopted, and so far as we are concerned, speaking for the management, we are prepared now to face the situation in a large way."

Mr. Paul Mercier, M.P., on behalf of the citizens of St. Henri, and the Hon. Alfred Leduc, M.P.P., on behalf of Ste. Cunegonde and other western parts of Montreal, also expressed their gratification at seeing the Board set this matter down for hearing and requested the Board energetically to deal with the whole problem.

This matter is of great importance and we must proceed very earefully. There is a great deal of money involved and a scheme of elimination must be evolved which will give the greatest possible degree of protection and convenience to the public, with the least possible expenditure of money.

Under section 69 of the Railway Act, the Board may appoint, or direct any person to make an inquiry and report upon any application, complaint or dispute pending before the Board, or upon any matter or thing over which the Board has jurisdiction.

I am therefore of the opinion that all these matters should be referred to the Chief Engineer, who should be appointed and directed to make an inquiry and report on the whole situation of level crossings in Montreal, on the Canadian National Railways, from the Bonaventure Station west, and from the Moreau Street Station cast. The Chief Engineer should report progress to the Board, from time to time, and evolve a scheme for the consideration of the Board.

The Board shall then act, after due notice to all interested parties.

In re protection at guy street, montreal, que., canadian national railways.

Judgment of Deputy Chief Commissioner, dated June 2, 1927, concurred in by Commissioners Messrs. Boyce and Lawrence.

This matter was heard at Montreal on May 12, 1927, before Mr. Commissioner Boyce, Mr. Commissioner Lawrence and myself.

There appeared before us: on behalf of the Canadian National Railways, Alister Fraser, Esq., K.C., and, on behalf of the Montreal Tramways Company, the Hon, J. L. Perron, K.C.

This matter originated with a report from our Inspector Mr. McCaul dated January 29, 1927, at the occasion of a serious accident which occurred on the line of the Canadian National Railways, Montreal terminals, at Guy Street crossing, on January 25, 1927, at 6.33 p.m., when the Canadian National Railways engine No. 5278 moving light, tender first, from Bonaventure Station to Turcot shops, came in collision with the Montreal Tramways electric car No. 772, moving on Guy street, north bound.

The engine was moving at a speed of eight or ten miles per hour when, about 40 feet from the street line, the engineer saw the electric car coming on the crossing. He immediately applied his air-brake in emergency, and closed the throttle.

The driving wheels of the engine locked and skidded, and the tender struck

the electric car, throwing it off its trucks, and turning it on its side.

There is an interlocking plant at the Guy Street crossing since a number of years. The gates' derails, on the Montreal Tramway line, and the signals, on the Canadian National Railway, are interlocked.

After the accident, it became apparent that more adequate protection was necessary at that crossing for the safely of the public, and of both the railway and the tramway companies.

The railway company at the hearing at Montreal filed a plan No. SD-1061A, dated April 26, 1927, describing a system of dwarf signals to be installed in lieu

of the present semaphore signal system.

The Montreal Tramways Company, has no objection to the change suggested by the railway company, but requests that it be at the expense of the latter.

The Chief Engineer and the Chief Operating Officer of the Board both concur in a recommendation that the railway company be authorized to remove the semaphore signals shown in yellow on the plan above referred to, and install the dwarf signals as shown in red on the same plan.

The adequacy of the proposed additional protection is not in controversy. The only question to be determined is the apportionment of the cost thereof.

The Montreal Tramways Company, have filed an agreement executed at Montreal on August 11, 1899, between the Grand Trunk Railway Company, represented by Mr. Charles Hayes, General Manager, and the Montreal Street Tramways Company, represented by the Hon. L. Forget, President, and Mr. Martin K. Watts, Secretary.

The agreement refers to three orders of the Railway Committee of the Privy Council of Canada, dated November 29, 1894, May 11, 1896, and

December 29, 1896, respectively.

It is then stated that a dispute has arisen between the two parties as to the extent of their respective obligation under the said orders, and that they have agreed to terminate all disputes between themselves for the future.

Clause 1 reads as follows:-

The Montreal Company agrees to pay to the Grand Trunk and the Grand Trunk agrees to accept the sum of one hundred dollars per month, payable on the last day of each month, commencing from the first day of January last past, in full and in lieu of all pay-

ments, work or obligations of the Montreal Company towards the Grand Trunk in respect of the said crossings or of any orders made or to be made by the Railway Committee of the

Privy Council of Canada in regard thereto.

Mr. Fraser, on behalf of the Canadian National Railway, submitted that the payment of \$100 per month by the Tramway Company, was in respect of its obligations then due, and not in respect of all further obligations in connection with that crossing. (Record, volume 513, p. 8601 and following.)

Confronted with the exact language of the section quoted to him by Commissioner Boyce, Mr. Fraser was obliged to say: "I am not facing this agreement with a great deal of confidence; if I were to argue on the other side,

I would argue it a great deal more strongly."

The Hon. Mr. Perron, on behalf of the Tramways Company, submitted that conditions had not changed at Guy Street crossing since the two Orders in Council of 1894-96 and the agreement of 1899. That, because an accident occurred last year the Canadian National Railway are not entitled to ask to set aside an agreement in existence since 1899, voluntarily entered into by both companies, and that no good reason could be advanced to justify the Board in disregarding a contract binding both companies.

Mr. Fraser submitted further (pp. 8608-09-10) that, notwithstanding the agreement, if it were necessary to increase the protection, the Board under sections 256-257 of the Act could and should issue a just and reasonable order in respect of such protection, and submitted that it was not a fair and a proper thing for the railway company to bear such a substantial proportion of the cost of that crossing as it was doing at the present time, under the agreement.

Mr. Fraser quoted the Board's decision in the King's Street crossing at Hamilton, but, as pointed out at the hearing, in that case there was no change made to the agreement entered into between the railway company and the municipality. Under the agreement, the municipality could not ask the railway company to build a bigger bridge, but they come to the Board, and the Board exercising its discretion under the Railway Act, apportioned the cost of the additional construction as it deemed fit.

Mr. Fraser also suggests the possibility of a grade separation at Guy Street, and the unreasonableness of compelling the railway company to shoulder alone the enormous expense that would be involved if a subway were ordered.

I do not believe that the Board is called upon to determine now what its decision should be in respect of the apportionment of the cost of a grade separation at Guy Street crossing. This will be considered when the occasion arises.

In the present instance, the whole question boils down to the rearrangement of the signals to insure a greater degree of safety both to the railway company

and to the tramway company.

I am unable to find on file or in the Record any good reason why an agreement voluntarily entered into between two companies like the Grand Trunk Railway Company and the Montreal Tramways Company, should be set aside, when the very language of the agreement states that the parties intend thereby to terminate all dispute between them for the future, and when, in consideration of the payment of \$100 per month, the Grand Trunk Railway Company undertakes to relieve the Montreal Tramways Company, of all payments, work or obligations in respect of the said crossings or of any orders made or to be made by the Railway Committee of the Privy Council in regard thereto.

Without committing the Board to any decision on the apportionment of the cost if the occasion arose of ordering a grade separation at Guy Street crossing. I am of the opinion that the railway company should be authorized to remove the semaphore signals shown in yellow on plan No. SD-1061A of April 26, 1927, on file, and to install and maintain in lieu thereof the dwarf signals shown in red on the said plan; the cost of such removal, installation and

maintenance to be at the expense of the railway company.

In re Widening of St. Remi Street, Montreal, P.Q., Canadian National Railways

Judgment of Deputy Chief Commissioner, dated June 1, 1927, concurred in by Messrs. Commissioners Boyce and Lawrence.

This application was heard at Montreal, on May 12, 1927, before Mr. Commissioner Boyce, Mr. Commissioner Lawrence and myself.

There appeared before us: W. H. Butler, Esq., K.C., on behalf of the City of Montreal and Alister Fraser, Esq., K.C., on behalf of the Canadian

National Railways.

Saint-Remi street is an old King's highway, within the city of Montreal, running from Cote St. Paul across the canal, and down and across Notre Dame street, and up into the upper part of the city. It was in existence much before the construction of the Grand Trunk Railway. It is presently 40 feet wide, and the city has decided to widen it to 66 feet.

It is crossed by the Grand Trunk Railway tracks, and the railway is

junior to the highway.

It does not appear that when the railway crossing was established any provision was made for the protection of the crossing, but, at a certain time which could not accurately be ascertained, the Grand Trunk Railway Company felt that it had become necessary to erect gates for the protection and safety of the public, and, voluntarily, and at his own expense, installed, maintained and operated them.

This voluntary action of the Grand Trunk Railway Company was not peculiar to the crossing at Saint-Remi street, but, identically the same action was taken by the Company at a number of other streets within the city of

Montreal, and elsewhere in Canada.

Later the company appeared before the Board and requested an order for the purpose of legalizing these gates and, on October 9, 1918, Order No. 27770

issued accordingly.

At present, the gates are single arm gates, erected on each side of the railway right of way, operated day and night from a tower. The widening of the street and of the crossing will necessitate the installation of double arm gates, and the moving back of certain fences, sidings or industrial spurs.

The city agrees to pay all the cost of construction, including the additional arms of the gates, the removal of those sidings and their restoration if necessary; it further agrees to pay 50 per cent of the maintenance, including the maintenance of the highway within the railway right of way; in fact, every item of expense except the cost of operation.

The railway company does not oppose the application. It simply requests that the city be ordered to pay 40 per cent of the cost of operation, and that is

the only point in controversy.

The railway company admits that, for the time being, the operation of a double arm gate would probably not cost more than the operation of the single arm gate. It points out however, that if the traffic grows, an additional

watchman will be necessary. (Record, Vol. 513, p. 8648.)

The city submits that, as it is senior to the railway, and undertakes to pay all the expenses of construction, and 50 per cent of all the expenses of maintenance incurred by the change, and as the cost of operation will not be greater after the change than before, the railway company should continue to operate the gates at its own expense.

I read in the Record, vol. 513, page 8649, the following:—

Mr. Fraser: I will not take time to give the reasons . . . but, as I say, the universal practice is that when two parties come in and join in a situation, they bear the cost of that situation in proportion to their user of it. They say that the additional cost is not a

controlling factor, but supposing that it was necessary for this 20 feet for them to set up their own plant and operate it, they would have to bear the whole cost. If they come to us and say: You operate it for us in more difficult circumstances, it is harder to get the gates down, it is a simple act of justice.

Mr. Butler: But the expense is not increased in operating it . . . Are we going to pay for something, or are we going to contribute for something, for operating these gates, when it is the same man who operates them, receiving the same salary? Why should we be asked to contribute one penny?

Authorities were quoted both by the railway and by the city on this matter. No iron rule was ever set down by the Board on the question of the apportionment of the cost of protection at railway crossings. Each case is judged on its own merit.

Generally speaking, when a crossing is established, and protection ordered, the junior bears the cost of such protection. When protection is ordered after the crossing has been in existence for some time, the cost of protection is not

always apportioned according to the junior and senior rule.

The tendency has rather been to consider whether protection was rendered necessary by increased traffic on the highway or on the railway, or on both. and to apportion the cost accordingly.

In this instance, the seniority of the city is undisputed and no additional

protection is necessary.

The widening of the street will necessitate some rearrangement of fences and sidings, entail additional maintenance of the street within the railway tracks, and another arm to the gates.

For the time being, no extra expense of operation will be incurred. The same gateman will operate a double arm gate as well as it does a single arm

gate, from the same tower, with the same lever.

Reserving decision as to the cost of any further protection which it might be necessary for the Board to order I think that the application should be granted, authorizing the city, under sections 256-257 of the Railway Act of 1919, to widen the present Saint-Remi street crossing over the Canadian National Railways, and authorizing the installation of double arm gates at said crossing instead of the single arm gates as at present, including the removal of sidings and their restoration if necessary. The whole cost of construction to be at the expense of the applicant; the cost of maintenance of the gates and of the highway within the right of way of the company, to be divided equally between the city of Montreal and the Canadian National Railways, the cost of operation to continue to be as at present, at the expense of the railway company.

APPLICATION OF BENJAMIN LEDUC in TO MAINTENANCE AND UPKEEP OF PRIVATE BRIDGE-CANADIAN PACIFIC RAILWAY

Judgment of Deputy Chief Commissioner, dated June 6, 1927, concurred in by Messrs. Commissioner Boyce and Lawrence

This matter was heard at Montreal on May 11, 1927, before Mr. Commis-

sioner Boyce, Mr. Commissioner Lawrence and myself.

There appeared on behalf of the applicant: Mr. F. G. Coffin and Mr. Maurice Tellier, solicitors; and, on behalf of the Canadian Pacific Railway, MM. E. P. Flintoit, and L. G. Prevost; and for the city of Montreal, W. H. Butler, Esq., K.C., with a watching brief.

The applicant submitted that, by virtue of a deed of sale before A C. Decary, N.P., dated Montreal, June 11, 1888, his father and predecessor in title Gilbert Leduc had sold to the Atlantic and Northwest Railway Company, for the purpose of its right of way, a certain strip of land forming part of lot No. 163 of the plan and official book of reference of the cadastre of the municipality of the parish of Montreal, as appears at an authentic copy of the deed on file.

Among other conditions, the railway company undertook to construct, maintain and operate over their railway right of way an elevated bridge, fifteen feet wide, with a hand-rail at a point as near as possible the centre of said lot No. 163, for the use and convenience of the vendor, his heirs and assigns, so as to allow them to cross the railway at any time. The railway company then took possession, built the bridge and maintained it ever since. The Canadian Pacific Railway Company now operates the A. & N.W. Ry., and has assumed its obligations.

The applicant is an assign of Gilbert Leduc, Sr., by virtue of a donation, dated April 8, 1918, and duly registered on April 27, 1918, under the No. 359192 of the registration office of the county of Hochelaga and Jacques-Cartier, of lots 245-246 of the subdivision of the original lot No. 163 of the plan and official book of reference of the parish of Montreal, with all the appurtenances active and passive, apparent or occult, just as it is at present, without any exception or

reserves on the part of the donor.

Subsequent to the deed of sale by Leduc to the railway company, lot No. 163 was subdivided by its owners into several scores of building lots. A street allowance was provided, approximately in the middle of the lot, and is now known as Grand boulevard; the bridge built by the railway company is also in the middle of lot No. 163, and opens at both ends on the Grand boulevard.

In 1908, the Canadian Industrial Company. Limited, then the owners of a large part of this property conveyed this street allowance to the town of Notre Dame de Grace, from the Lachine road up to the northerly end of lot 163 and its subdivisions, and away past Sherbrooke street on both sides of the railway, the town to have immediate possession, but only for the purpose of a public street. The bridge existed then since 1888, but no mention is made of it in the deed of conveyance to the town.

Soon thereafter, Grand boulevard was opened to the public, lots were sold

on each side and were gradually built upon.

At the hearing. Mr. Flintoft stated, without contradiction, that the company was constant in its efforts to prevent the use of this bridge by the public, but without success, although signs and gates had been erected. Sherbrooke street was in a very bad condition, and the boulevard became a regular motor highway to Montreal West and beyond. The bridge became a menace to the public, its structure being too weak for the heavy traffic passing upon it.

On April 28, 1925, the Canadian Pacific Railway drew the attention of the Board to this dangerous situation, and to the impossibility for the railway company to prevent such trespassing, gates and warning signs being of no

avail.

This matter was set down for hearing on May 11, 1925.

Appearing on behalf of the city of Montreal, Mr. Butler requested that this matter should be allowed to stand. He admitted that it had been used in spite of the objections of the Canadian Pacific Railway as a highway crossing. He suggested, however, that this bridge was the only one that gave access from the north to the south side of Decary boulevard and to Montreal West, and if it were shut down at once, the public would be exposed to a great deal of inconvenience. The matter of giving access from one side to the other was under advisement by the city, and it was a matter which would take some time before a decision could be reached. (Record, vol. 440, pp. 665-666).

On October 17, 1925, no further action having been taken by the city, one of our inspectors strongly urged an immediate decision by the Board, and, on

November 14, 1925, a similar request was made by the railway company.

The matter was again set down for hearing, at Montreal, on January 7.

1926.

Mr. Butler appeared and stated that the city of Montreal had had, for some time, and had still under consideration the question of a crossing somewhere in the neighbourhood, but had arrived at no decision. (Record, vol. 449, p. 129.)

Mr. McLeod, the city engineer, added that the structural engineers of the

city were then at work on a scheme. (Ibid, page 135.)

There was on file and on the record abundant evidence that the bridge was dangerous, being much narrower than the street, and much too weak for the heavy motors passing over it; that it was impossible for the railway company to prevent the public from using it, because it opened at both ends on a public street, and people would trespass, notwithstanding the existing gates and warning signs; it appeared moreover that the bridge structure did not provide the standard clearances required by our regulations.

A fatal accident had occurred on March 3, 1925, wherein Engineer Carmody was instantly killed, whilst leaning out from the vestibule door of the engine to see if any water was escaping from his hose-bag, and while in this position,

his head came in contact with a post on the bridge.

Upon inspection, the clearances were found insufficient, and standard side-

clearances of six feet were recommended.

On January 22, 1926, the Board issued Order No. 37273, directing the Canadian Pacific Railway Company to remove that bridge within four months, so as to give a reasonable time to the city to act if it deemed it advisable. At the expiration of the four months, after due notice to the city, the bridge was removed.

The applicant now requests that an order do issue directing the railway company to reconstruct and maintain the said elevated bridge, with the conditions specified in the deed of sale filed as exhibit No. 1 of the applicant, viz, the deed of sale by Gilbert Leduc to the Atlantic and Northwest Electric Company on June 11, 1888.

The applicant, as mentioned above, is the successor in title of Gilbert Leduc to the extent of the two subdivided lots Nos. 245-246 of what was originally a farm and known under lot No. 163 of the parish of Montreal.

It is important to note that he became the owner of these two subdivisions on April 10, 1918, i.e., ten years after the dedication of the street allowance to the town, and that the deed of donation to him by his father describes the property: "just as it is at present, without any exception or reserve on the part of the donor", no mention being made of the right of passage originally reserved.

In 1908, the Canadian Industrial Company Limited, also a successor in title of Gilbert Leduc for a large part of the property, including the street allowance on which the bridge opened, having conveyed to the town this strip of land to be used as a public street, by its own act rendered it impossible that the bridge be used any longer exclusively as a farm crossing.

The town of Notre-Dame de Grace, and later the city of Montreal, never claimed the bridge as part of its street. At the hearing, Mr. Butler said: "Our position was that that was a private bridge, and did not concern us, and we

took no part." (Record, vol. 513, page 8526.)

When the Board issued Order No. 37273, lot No. 163 was no longer a farm, in the parish of Montreal, as originally; it was subdivided into lots, built upon, within the city. The crossing reserved by Gilbert Leduc was being used illegally by the public at large. This illegal conversion of a private crossing into a public crossing was rendered possible by the act of one of the successors in title

of Gilbert Leduc. Such was the situation since ten years when the applicant himself became the donee of these two lots "just as they were then", namely: without access to the crossing, except through Grand boulevard.

Under section 257 of the Railway Act, when a railway is already constructed upon, along or across any highway, the Board may, of its own motion or upon complaint or application, determine all matters and things in respect of such crossing, and may make such order as to the protection, safety and convenience of the public, as it deems expedient. The Board felt that it would be derelict in its duty if it allowed such a bridge to continue to be a menace to the public and to railway employees, on account of its narrowness, its weak structure and its insufficient clearances.

At the hearing Mr. Coffin admitted that the bridge was a private farm crossing (volume 513, page 8530). He also admitted that the Board's Order 37273 did not deprive the applicant from any of his civil rights under the agreement. (*Ibid*, page 8532.)

The applicant contends that in removing this bridge the Canadian Pacific Railway is in breach of its agreement, and applies to this Board, under section 35 of the Railway Act. (*Ibidem*, page 8533.) He admits that Grand boulevard is a street in the city and that the bridge would be a connecting link between two trunk parts of the boulevard. (*Ibidem*, page 8535.)

Admittedly, the railway company is not by the agreement bound to anything more than an elevated bridge, 15 feet wide, for the purpose of a private crossing. The city does not ask a public crossing.

I am therefore of the opinion that this Board cannot, with due regard to the safety and convenience of the public, order the railway company to reconstruct and maintain there a bridge of that description.

If, and when the city deems it advisable to apply for a public crossing over the railway at Grand boulevard, such application will be duly considered.

APPLICATION WILLIAM J. MULDOON re FLAG STATION, OTTAWA-WALTHAM BRANCH CANADIAN PACIFIC RAILWAY

Ruling of Board dated June 6, 1927

The applicants, some twenty-seven in number, ask for a flag station, at the above mentioned point and state that, on account of the location of the roads in the district, the present accommodation is very inconvenient to the applicants, and that there would be a large amount of freight at the point in question, especially milk, cream, etc.

The Board took the application up with the Canadian Pacific Railway Company, which answered as follows:—

- 1. That the matter had been carefully investigated but, in view of the fact that the district in the location of South Onslow is well served with stations at the present time, the company regretted that it could not see its way clear to install any additional stations.
- 2. That the location at which this flag station is suggested is approximately mileage 24.8 Waltham Subdivision; that the company now has stations at Parkers, mile 22.8, and Mohr, mile 26.8, or two miles on either side of the suggested location; that a thorough investigation on the ground showed that about 26 families might lay claim to advantage through a new station, as it would cut off the distance they now have to travel to reach one of the company's stations by some two miles; that two miles cannot be considered a great distance for persons in a sparsely settled territory to travel for a train; and that it was not apparent that anyone was suffering under the conditions as they now exist.

3. That there is very little business received at Parkers and Mohr, the milk business amounting to between four and five cans daily, and very often only one can, and that there is a cheese factory at Parkers, and during the cheese

making time there are not many milk shipments.

The railway company further pointed out that the Board had long recognized the principle that initial discretion in the matter of location of stations is with the railway company; that the Board should intervene only when there has been an unreasonable exercise of this discretion; and cited Hartin et al vs Canadian Northern Railway Company (Twin Elm Flag Stop), 21 CRC., 437, and Kelley vs Grand Trunk Railway Company, 24 CRC., 367.

RULING

The Board ruled that, in view of the fact that there is a flag station at Parkers, two miles on one side from the point where the flag station is asked for by the applicants, and also a flag station two miles on the other side of the suggested location, it did not seem to the Board that the railway company, on what was before the Board, acted in an unreasonable way in so spacing the stations, and that the Board would not be justified in directing that a flag station be installed at the point where the applicants desire it; that in the West the Board had recognized that distances of seven miles between stations were not unreasonable; that it had in various cases in the East recognized that distances from five to seven miles were not unreasonable; and that it is not the function of railway companies to equalize highway disadvantages; their obligation is to afford facilities spaced a reasonable distance apart.

APPLICATION RATEPAYERS OF ST. BRIGID'S PARISH, IBERVILLE COUNTY, P.Q., in re
TRAIN SERVICE, CANADIAN NATIONAL RAILWAYS

Judgment of Deputy Chief Commissioner, dated June 8, 1927, concurred by Messrs. Commissioners Boyce and Lawrence.

This matter was heard at Montreal on May 11, 1927, before Mr. Commissioner Boyce, Mr. Commissioner Lawrence, and myself.

There appeared before us: on behalf of the applicants, Mr. A. J. Benoit, M.P., Jacques Cartier, Esq., K.C., solicitor; on behalf of the Canadian National

Railways, Alistair Fraser, Esq., K.C.

The application is for the rescission of order of the Board No. 36550, issued on June 30, 1925, permitting the Canadian National Railway Company to withdraw its steam trains from Marieville to Montreal and re-route them via St. Johns; to abandon the line between Farnham and Marieville, with the exception of that portion between Ste. Angele and Marieville, which was to be electrified; and to withdraw the mixed train running between Marieville and Farnham. The Order is reported in the Judgments, Orders, Regulations and Rulings of the Board, volume 15, page 174, and the judgment issued in connection therewith by the Chief Commissioner is reported in the same volume, at page 170.

The details concerning the former hearing of the case and its disposition are contained in the reasons for judgment preceding the Order, which is challenged.

The application upon which the order issued was made by the parish of St. Brigid d'Iberville, the Parish of Ste. Angele de Monnoir, the Town of Marieville, the Village of Richelicu, the parish of Notre-Dame de Bonsecours, the Village of Chambly Canton, the Village of Chambly Basin, the Parish of St. Joseph de Chambly.

The applicants urged that the electric cars in use were inconvenient, the heating system inadequate, the roadway so bad that riding was uncomfortable

and dangerous, the handling of the baggage defective, the mail service disorganized, and that the proposed change would create a disturbance to the traffic.

The railway company represented that a joint electric and steam service, between Marieville and St. Lambert, was unsatisfactory; that the steam trains were delayed by the electric operation; that the amount of traffic handled by the steam trains did not justify their continuance over that route; that the considerable saving in ton mileage, between Farnham and St. Johns, would more than offset a slight increase in mileage between Montreal and Waterloo via St. Johns as against via St. Lambert and Marieville; that the total train mileage saved was 144·16 steam train miles a day.

After hearing all pros and cons, the Board issued its Order No. 36550, providing for the electrification of the line from Marieville to Ste. Angele, and allowed the company to drop all railway service from Ste. Angele to Farnham. The railway company acted accordingly.

St. Brigid is situated between Marieville and Farnham, 3·3 miles from Ste. Angele, according to the Canadian National Railways' statement, and 2·8 miles according to Mr. Cartier. (Record, volume 513, pages 8494 and 8496.)

At the hearing at Montreal on May 11, 1927, the Canadian National Railways took the following position: Mr. Fraser: "The strictly legal position is that we have definitely abandoned the line, and I think under the Board's decisions, that is the beginning and the end. I think, no line, no jurisdiction. At the same time I would like my friends to appreciate the fact that in the first place we did not proceed hastily, nor are we proceeding hastily now; nor indeed did the Board proceed hastily. You will remember that the Chief Commissionr had many reports on the situation. There was a great deal involved. We improved the electric service very considerably, and on the whole satisfied ourselves that no injustice of any kind would be done to any of the people. Therefore, in view of the short distance they have to haul, I submit that the application should fail." (Record, volume 513, page 8497.)

At page 8496, Mr. Fraser had said: "In order to carry out the electrification suggested, it would cost us about \$24,000, even if we were in a position to do it, and we estimate, after a very careful census, a loss of \$7,000 a year.

The applicants called in Mr. Rene Boulais, who gave an estimation of the traffic that the Canadian National Railways could fairly expect to receive if their line were extended to St. Brigid. His evidence can be briefly summarized as follows: He is a merchant established at St. Brigid; his freight sheds and scales are there; he would receive five or six carloads of coal, three carloads of cement, three carloads of shingles, three carloads of lumber, a few carloads of other goods, in all fifteen or sixteen carloads of freight, giving to the railway company an average of \$100 per car, a year. He used to pay, every year, from \$400 to \$500 for express charges. He would also ship eggs, 150 or 200 cases a year, giving about \$80 in freight charges.

One butter factory would ship fifteen cans of cream a day; another, seventy-five cans of cream a day, or the equivalent in butter, yielding yearly \$450 to the railway company. Mr. Paquette, a baker, would receive nine carloads and pay \$500 or \$550 a year; Mr. Massier, a \$175 to \$300; the two butter manufacturers, a carload of coal each every year; Mr. Souchez would pay about \$200; the blacksmith, \$50 a year; the express charges paid by other people would amount to \$200. In 1924, some 250 carloads of hay were shipped, and in 1925, 200 carloads.

He estimated the slump in land values in St. Brigid, due to the discontinuance of the train service, to be at least \$100,000, and the loss to farmers and shippers by reason of additional haulage, at \$1 a ton. There were seventy-five

or eighty farmers interested. In his opinion the company would receive from the parish and the village of St. Brigid at least \$10,000 a year of freight charges.

(Vol. 513, pp. 8500 & s.)

Mr. Cartier stated that at the hearing held in Montreal on May 12, 1925, the parish of St. Brigid was not represented, and, so far as they were concerned, it was an ex parte case. In his opinion, if they had had the opportunity of being heard, they would have convinced the Board that the retention of the train service as far as St. Brigid was desirable. (Ibid. p. 8497.)

The line of railway between Farnham and Marieville was constructed and owned originally by the Stanstead, Shefford and Chambly Railway Company.

Later, the Central Vermont Railway Company purchased it.

To-day part of the capital stock of the Central Vermont Railway Company is held in the treasury of the Canadian National Railways Company, but it is still operated under its own charter, and it is leased, for the time being, to the Canadian National Railways Company. It is not therefore the Canadian National Railways' Act, but the Railway Act, which governs the situation.

Under the Railway Act, a railway company can discontinue operating a line of railway, unless the Special Act of incorporation provides otherwise, and the Board has no jurisdiction to compel a Company to resume operations, even if the public were injuriously affected by reason of the discontinuance.

Such was the decision of the Board in a number of cases, and in particular in the Red Mountain case: Rossland Board of Trade vs. Great Northern Railway Co., 28 Canadian Railway Cases, page 24 & s., wherein precedents were

quoted and followed.

When the first application came up, in 1925, the Board found itself without jurisdiction, but it was thought preferable to give the complainants an occasion to voice their grievances in open court, with a view to enabling them freely to set out the facts, and, perhaps, to convince the railway company that it could operate without loss. The railway company, persisting in its determination to discontinue operations on that part of its railway line from Ste. Angele to Farnham, and undertaking only to electrify and operate electrically its line from Marieville to St. Angele, there was no power in the Board to compel it to go further.

When the present application was received, it being represented that certain residents of St. Brigid had not had their day in court, and that they desired to be heard, this matter was again set down for hearing; perhaps this time the applicants might succeed in convincing the railway company that conditions had so changed as to make it profitable for the company to extend its electrification and electrical operations from Ste. Angele to St. Brigid. As previously set out herein, the applicants estimated that the railway company would receive traffic yielding a gross revenue of approximately \$10,000 per

The railway company persisted in its determination.

Under the Railway Act, as construed by the Board in precedent cases, the Board has no compulsory powers. The application must therefore be dismissed.

In re disqualification of Mr. commissioner lawrence in the matter of THE GENERAL FREIGHT RATES INVESTIGATION

Judgment of Chief Commissioner, dated June 21, 1927

On the 30th day of April last, and during the hearing under the General Freight Rates Investigation, Mr. Woods, K.C., counsel for the province of Alberta, on his own behalf and on behalf of counsel for the provinces of Saskatchewan and British Columbia, read the following protest to the Board:

Now there is only one other matter that I wish to mention: that is a matter that I have been asked to submit on behalf of my friends from Saskatchewan and my friend from

British Columbia, as well as myself.

During the last three days the Board has been augmented by the addition of a Commissioner who was present only during the first six days of the final hearing. During that period the whole time was occupied with the filing of exhibits and the hearing of the portion of the evidence of one witness upon the issue of the mountain differential.

This Commissioner took no part in the eastern or western sittings of the Board preceding the final hearing, with the exception of four days in March when evidence was given in connection with the submission of the Quebec Harbour Commission.

Since this Commissioner ceased to attend the final hearing, the Board has heard evidence on fifty-one days, and argument has proceeded for an additional sixteen days, of which only three have been in the present week, and were occupied by part of the argument of counsel

for the railway companies.

Our clients' interests require that we point out to the Board that it is impossible that a Commissioner so circumstanced can adequately deal with the many important and complex issues raised. For him to take part in the disposition of any or all of these issues would necessarily constitute a very serious ground of objection to the validity of any judgment the Board may give, whatever might be his share in that judgment, and whether or not on any given issue his should prove to be the deciding voice.

The undersigned take objection to the jurisdiction of this Commissioner to take part

in the disposition of the matters presently before the Board in this inquiry.

Dated at Ottawa this 28th day of April, 1927.

(Signed) S. B. WOODS. Counsel for Alberta.

> W. H. McEWEN. Counsel for Saskatchewan.

G. G. McGEER, Counsel for British Columbia.

Addressing the Chief Commissioner, Mr. Woods said:

I am submitting that to you as a matter of law for your decision. We have raised there the jurisdiction of one of the Commissioners to determine the matters before this Board.

No other counsel signified assent to the position taken by the counsel for Alberta, British Columbia, and Saskatchewan. Mr. Tilley, K.C., leading counsel for the Canadian Pacific Railway Company, supported by Mr. Pitblado and Mr. Rogers, maintained the right of Mr. Commissioner Lawrence to take part in the judgment, and argued that the question raised is not a matter of law, such as contemplated by subsection 2 of section 12 of the Railway Act, which subsection reads as follows:-

12. (2) The Chief Commissioner, when present, shall preside, and the Assistant Chief Commissioner, when present, in the absence of the Chief Commissioner, shall preside, and the opinion of either of them upon any question arising when he is presiding, which in the opinion of the Commissioners is a question of law, shall prevail.

The question of law here sought to be raised is whether or not the absence of Mr. Commissioner Lawrence from the sittings of the Board, as set out under circumstances concerning which there is no dispute, has disqualified him from participating in the judgment to be pronounced under the instructions given in Order in Council, P.C. 886, by virtue of which this investigation is being held. It will be observed that the subsection confers no power upon the Chief Commissioner, or the Assistant Chief Cemmissioner, to determine of himself whether any question which may arise is, or is not, a question of law. His opinion prevails only upon a question which "in the opinion of the Commissioners is a question of law." The expression of such opinion on the part of the other Commissioners is a condition precedent to any decision by the Chief Commissioner, or the Assistant Chief Commissioner, and it hardly need be said

that, if, in the opinion of the other Commissioners, no question of law is involved, the opinion of the Chief Commissioner, or the Assistant Chief Commissioner, is not decisive upon the question which may have arisen.

The protest so made was taken under consideration at a meeting of the Board attended by all the Commissioners with one exception, and it was resolved that the submission of counsel for the provinces above named raises a question of law, inasmuch as it involves the determination of the right of one of the Commissioners to take part in the judgment to be rendered, under circumstances concerning which there are no disputed facts, and I shall deal with the application from that standpoint.

This is the first time such question has been raised before the Board, and it is well, I think, to draw attention to the provisions of the Act regarding hearings by the Board, and the attendance of Commissioners thereat.

In the first place, it is provided by section 12, subsection 1, of the Railway Act, that two Commissioners shall form a quorum, and not less than two Commissioners shall attend at the hearing of every case.

Section 18 provides:

The Board may hold more than one sitting at the same time, and whenever circumstances render it expedient to hold a sitting elsewhere than in Ottawa, may hold such sitting in any part of Canada.

Section 20 reads as follows:—

Subject to the provisions of this Act, the Board may make rules and provisions

(a) the sittings of the Board:

(b) the manner of dealing with matters and business before the Board;

(c) the apportionment of the work of the Board among its members, and the assignment of members to sit at hearings, and to preside thereat; and,
(d) generally, the carrying on of the work of the Board, the management of its internal affairs, and the duties of its officers and employees; and in the absence of other rule or provision as to any such matter, such matter shall be in the charge and control of the Chief Commissioner or such other member or members of the Board as the Board directs.

No rule or provision has been made touching the apportionment of the work of the Board among its members and the assignment of members to sit at hearings, consequently such matter is, for the present, in charge of the Chief Commissioner, or as the latter portion of the above quoted section provides.

For the purpose of carrying out instructions under the Order in Council, P.C. 886, and under assignments duly made, the Board held sessions in eastern Canada, at Montreal, Windsor, Toronto, Moncton and Saint John, as well as at many cities in western Canada, and at none of these did the full Board sit. The members of the Board assigned thereat were:-

At Montreal: the Chief Commissioner, the Deputy Chief Commissioner, and Mr. Commissioner Boyce.

At Windsor and at Toronto: the Chief Commissioner and Mr. Commissioner Lawrence.

At Moncton and Saint John: the Chief Commissioner, the Assistant Chief Commissioner, and Mr. Commissioner Oliver.

At Winnipeg and throughout the West: the Chief Commissioner, the Deputy Chief Commissioner, and Mr. Commissioner Oliver.

It is apparent from the above that all members of the Board were not expected to sit at every hearing.

At the conclusion of these preliminary sessions, a final hearing was arranged, to be held at Ottawa, opening on the 30th day of November, 1926, to which the full membership of the Board was assigned.

Under proper assignment duly made, Mr. Commissioner Lawrence took his seat at the commencement of the final hearing at Ottawa, and became, in my opinion, fully seized of authority and jurisdiction to sit and deliberate and give judgment in the matters which had then previously been considered under the Order in Council, as well as upon those which still awaited hearing and discussion.

During the 113 days in which the Board was engaged in the work, including preliminary and final hearings, the assignments and sittings, and attendances, were as follows:—

The Chief Commissioner was assigned to sit at 113 meetings of the Board, and sat 92 days.

The Assistant Chief Commissioner was assigned to 85 meetings, and sat 83½ days.

The Deputy Chief Commissioner was assigned to 106 meetings, and sat 94 days.

Mr. Commissioner Boyce was assigned to 82 meetings, and sat 70 days.

Mr. Commissioner Lawrence was assigned to 84 meetings, and sat 20 days.

Mr. Commissioner Oliver was assigned to 109 meetings, and sat 100 days.

Inasmuch as Mr. Commissioner Lawrence was fully clothed with jurisdiction to sit at the final hearing, his right to participate in the judgment cannot be questioned, unless it be held that the absences above set out have wrought a disqualification against him. The ground of disqualification alleged is, that Mr. Commissioner Lawrence will be unable, by reason of protracted absence, to "adequately deal with the many important and complex issues raised". It was pointed out by Mr. Tilley, K.C., that no member of the Board has been present every day during the final hearing. From time to time, in fulfilment of immediate pressing Board duties and through illness, different members of the Board were compelled to absent themselves occasionally during the final hearing, and this question must, therefore, present itself in the form of an inquiry as to what degree of absence, if any, would work the disqualification alleged. To answer this question, consideration must be given to the scope and nature of the inquiry, and what must be considered to be the duty of a Commissioner in regard thereto. If by virtue of assignment properly made, a Commissioner has become seized of juri-diction to sit, and if notwithstanding necessary absences, he can, by availing himself of the typewritten transcript of evidence, acquaint himself with all that has been testified and urged in argument, so as thereby to enable him to bring his personal judgment to bear upon the matters involved, I cannot see that any disqualification has arisen, because he has not heard all the evidence and argument.

It is urged, inter alia, in support of the disqualification alleged, that Mr. Commissioner Lawrence "took no part in the eastern or western sittings of the Board preceding the final hearing, with the exception of four days in March when evidence was given in connection with the submission of the Quebec Harbour Commission". Of the preliminary sittings of the Board above referred to, prior to the final hearing, Mr. Commissioner Lawrence was assigned to Toronto, Windsor and Ottawa for sessions, which occupied nine days, and he sat at all of them throughout. Argument for disqualification cannot be supported because of the fact that a Commissioner has not heard evidence taken at meetings of the Board held at places at which he was not assigned to sit. It is always presumed that a perusal of the transcript of evidence taken at such hearings puts such Commissioner in a position to acquaint himself with

what was done and said in his absence.

Having regard to the contention here put forward, I cannot say that, as a matter of law, the protracted absences of Mr. Commissioner Lawrence have disqualified him from taking part in the judgment. In my view, such result cannot follow as a matter of law. Whether as a question of fact, his absence has made it impossible to acquaint himself with the subject matter being dealt with, does not come within my jurisdiction to decide; and I do not think any rule of law can be laid down in that particular. The petitioners say that it is impossible for him to do justice to these issues, but the determination of that question is not a matter of law, but a matter of fact, involving the scope of the inquiry and the mastery of the different questions which are submitted.

The parties in interest have a right to the individual judgment of every Commissioner, brought to bear upon the evidence and arguments which have been urged before the Board. If a Commissioner, despite certain absences, be able to bring to the consideration of the questions, his personal judgment, founded upon a perusal and understanding of the record and exhibits, he is entitled to express his opinion. A Commissioner once being clothed with jurisdiction to hear the case, but being unavoidably absent for a period, must decide for himself whether he can competently discharge the duty he owes to the litigants. I do not think any one else can decide that fact for him. He must be the keeper of his own conscience in this respect.

The application to declare Mr. Commissioner Lawrence disqualified, for

the reasons above set forth, must be dismissed.

APPLICATION NOVA SCOTIA SHIPPERS' ASSOCIATION re RATES OF DOMINION ATLANTIC RAILWAY ON APPLES, CARLOADS, FOR EXPORT

Judgment of Deputy Chief Commissioners, dated June 20th, 1927, concurred in by Messrs. Commissioners Boyce and Lawrence.

This matter was heard at Ottawa, on June 17, 1927, before Mr. Commissioner Boyce, Mr. Commissioner Lawrence, and myself.

There appeared before us: on behalf of the Nova Scotia Shippers' Association, J. L. Ilsley, Esq., K.C., M.P., and Mr. F. C. Cornell; on behalf of the Fruit Branch of the Department of Agriculture, Major R. L. Wheeler; and on behalf of the Dominion Atlantic Railway Company, E. P. Flintoft, Esq., Mr. F. J. Comeau, and Major W. M. Kirkpatrick (Foreign Freight Traffic Manager,) Canadian Pacific Railway Company.

The present complaint was filed with the Board in July, 1926. It is to the effect that freight rates on apples in carloads to Halifax for export should be substantially reduced and that such reduction be at least sufficient to make such export rates bear the proportion to the otherwise effective class rates, which existed prior to the increases of September 10, 1919, and that such proportion be not exceeded hereafter in any adjustment of such export rates.

The railway company submitted that there has never been a fixed relationship between the class rates and export rates on apples, nor is there any reason for such relationship; that present rates on apples for export were just and reasonable, and not unjustly discriminatory; that the financial results of the operations of the defendant Company was such as to warrant an increase in rates and that no reduction could be justified.

Exhibit No. 1 filed by the complainants at the hearing gives a graphic picture of what is involved. It is as follows:—

Note.—These rates are in cents per barrel of 155 pounds for apples, and in cents per barrel of 180 pounds for potatoes, their equivalent in cents per 100 pounds was used in working out their proportions of class rates.

EVOLUTION OF STANDARD MILEAGE, TOWN TARIFF AND EXPORT COMMODITY RATES FROM BERWICK TO HALIFAX

		Standard Mileage Rates		Town Tariff Rates		Commodity Rates on Apples for Export			Commodity Rates on Potatoes for Export		
		5th	8th	5th	8th		% of S.M.	% of T.T.		% of S.M.	% of T.T.
		cts.	cts.	cts.	cts.	cts.	cts.	cts.	cts.	cts.	cts.
Sept.	1, 1915 1, 1915	16	13	15	12	17	68.5	73.1			
Dec. Mar. Aug.	10, 1915 15, 1918 12, 1918	$18\frac{1}{2}$ 23	15 19	$\begin{array}{c} 17\frac{1}{2} \\ 22 \end{array}$	14 17 ½	19½	68.0	71.9	16½ 19	70·5 70·4	$76 \cdot 4$ $75 \cdot 4$
Sept. Sept.	1, 1918 10, 1919					$24\frac{1}{2}$ $27\frac{1}{2}$	$\begin{array}{c} 68 \cdot 7 \\ 77 \cdot 1 \end{array}$	71·8 80·6	24	70-2	76.2
Sept. Jan. Dec.	13, 1920 1, 1921 1, 1921	32 31 29	$26\frac{1}{2} \\ 25\frac{1}{2} \\ 24$	$\begin{array}{c} 31 \\ 29\frac{1}{2} \\ 27\frac{1}{2} \end{array}$	$ \begin{array}{r} 24\frac{1}{2} \\ 23\frac{1}{2} \\ 22 \end{array} $	$\frac{38\frac{1}{2}}{37}$	$77.6 \\ 77.0 \\ 82.3$	80·0 80·9 86·8	$33\frac{1}{2}$ $32\frac{1}{2}$	$70 \cdot 2$ $70 \cdot 8$ $75 \cdot 2$	76·0 76·8 82·1
Aug. Aug. Sept.	1, 1922 25, 1922 2, 1922			# 1 2		34½	77.0	80.9	30 28	69·4 64·8	75·8 70·7

This exhibit gives us standard mileage and town tariff rates, fifth and eighth classes, and commodity rates on apples and on potatoes for export, and the percentage relationship of these commodity rates to the standard mileage and town tariff rates.

It shows that prior to September 10, 1919, these rates had the following relativity:—

Standard Mileage Rates		Town Tariff Rates			ommodity on Apples f Export	or	Commodity Rates on Potatoes for Export			
5th	8th	5th	8th	241/2	% of S.M.	% of T.T.	- 24	% of S.M.	% of T.T.	

In August, 1919, the carriers gave notice that they would publish new commodity rates on apples for export, showing an increase of 20 per cent. Apple growers strongly protested; a conference was held; it was agreed that these rates should be raised from $24\frac{1}{2}$ cents to $27\frac{1}{2}$ cents per barrel, but that the

weight of a barrel should come up from 150 pounds to 155 pounds.

The complainants contend that it was also provided in the agreement that if any general increase in rates were ordered by the Board, the increase of 3 cents per barrel above referred to would be taken into account, and deducted from such general increase. This was not put down in writing; the statement is supported by verbal evidence, but flatly denied by the carriers. I do not doubt the good faith of those who testified, but, in presence of such contradictory evidence, it is difficult for the Board accurately to determine in 1927 what did actually take place in August, 1919.

The point is not of paramount importance however, the Board being not bound by any such agreement, and it being open to all interested parties to show whether the present rates on apples are just and reasonable or not.

The various increases and decreases which took place later had the effect of raising a rate of \$1 in 1920 to \$1.25 to-day, and the rate of $27\frac{1}{2}$ cents on apples was subject to the same fluctuations.

The complainants, on the strength of the said verbal agreement of 1919, contend that this percentage increase should have been based on the rate of $24\frac{1}{2}$ cents per barrel, and not on the rate of $27\frac{1}{2}$ cents, which would have the effect of reducing the present rate from $34\frac{1}{2}$ cents to $30\frac{1}{2}$ cents. They submit that the apple growers and shippers were singled out in 1919; that the relationship which their commodity rates bore to the other rates was disturbed.

It is of record that, in August, 1919, the railways thought the rate of $24\frac{1}{2}$ cents per barrel on apples for export unreasonably low, and quite inadequate. They gave notice of their intention of increasing it by 20 per cent. The apple growers and shippers protested, but finally agreed to an increase of 3 cents. It is not unreasonable to assume that this rate of $27\frac{1}{2}$ cents per barrel of 155 pounds was, in 1919, a just and reasonable rate, in the opinion of carriers and shippers.

The railways filed several exhibits, giving the rates on similar commodities elsewhere in Eastern Canada; nowhere does it appear that any lower rate is published. The Railway Company also filed statistics showing its earnings and expenses. The result for the last four years is a deficit ranging from \$9,000 to \$124,000.

Apples constitute a very important portion of the freight moved in that district, and if the rate were reduced as desired, the railway would suffer an additional loss estimated at \$25,000 a year.

The complainants alleged at the hearing that they had not received as favourable a treatment as that meted out to growers of potatoes. The carriers urged that the commodity rate on potatoes for export was held down by water competition, to which the complainants replied that water competition existed prior to 1919, when the rate on potatoes was 24 cents as compared with $24\frac{1}{2}$ on apples, and to-day the rate on potatoes was 28 as compared with $24\frac{1}{2}$ on apples; they admitted however, that prior to 1919, Kingsport, N.S., was a port of call for small schooners only, when to-day big tramp vessels ply there.

Under sections 314, 317, 320, 329 and 332 of the Railway Act, it is quite permissible for the carriers to publish competitive tariffs for the purpose of securing the traffic in respect of which they are made.

I was much impressed by the very able presentation of the complainants' case made by Mr. Ilsley, but judging the complaint on its merits, and upon the evidence submitted, I am unable to find the present commodity rates on apples from points in Nova Scotia to Halifax, for export, to be either unjust, unreasonable, unduly burdensome to the industry, or excessively remunerative to the carriers, or unjustly discriminatory against producers or shippers of any locality.

For these reasons, in my opinion, the application should be dismissed.

APPLICATION CITY OF SHERBROOKE, P.Q., in re STREET CROSSING AT JUNCTION OF FABRE, SHORT AND ST. MARTIN STREETS—CANADIAN PACIFIC RAILWAY

Judgment of Deputy Chici Commissioner, dated June 27, 1927, concurred in by Messrs. Commissioners Boyce and Lawrence

This matter was heard at Montreal on May 10, 1927, before Mr. Commis-

sioner Boyce, Mr. Commissioner Lawrence and myself.

There appeared before us: on behalf of the city of Sherbrooke, Messrs. Edouard Boisvert, solicitor, and Thomas Tremblay, engineer; and on behalf of the Canadian Pacific Railway, MM. L. G. Prevost, solicitor, and A. C. McKenzie, engineer of maintenance of way and structures.

There is no railway crossing legally provided at the junction of Fabre, Short and St. Martin streets in the city of Sherbrooke, but for thirty years pedestrians have passed there. The railway company had its line fenced, but the public broke the fence down. (Record, vol. 512, p. 8427.) "As soon as we notice the fence has been pulled down, we send workmen there to repair the fence and prob-

ably it is broken again the next day." (Mr. Prevost, Ibid, p. 8428.)

In his letter to the Secretary of the Board, on February 14, 1925, referring to this application, Mr. Flintoft says: "Our records show that when the A. and N.W. Railway Company constructed that part of its line in 1899 Short and Fabre streets were not yet in existence, and St. Martin street was not open through our right of way. The crossing asked for by the city of Sherbrooke has never been used as a street, either before or since our tracks were laid. There has not even been a farm crossing at this point, although for some years pedestrians have been trespassing across the tracks. Our right of way has always been fenced and no opening or gates were ever left at this point, but it is very difficult to maintain the fence because it is broken down periodically by trespassers. It is submitted that there is no necessity for a crossing at this point, because the Galt street subway which is only 690 feet west of the point where a crossing is now applied for, can be used to communicate with the south and west wards of the city.

Our Chief Engineer made an inspection on March 24, and reported that, on account of the danger to vehicular traffic and the close proximity to Galt street subway, he was of the opinion that the application for a vehicular crossing should not be granted; that, however, while he was on the ground the question of pedestrian crossing was discussed; that, according to a count taken on March 20 between 6 a.m. and 10 p.m., 666 pedestrians passed over the tracks at this point, half of whom were school children from a ward on the west side attending a school on the east side, on Short street; that the crossing was also very largely used by people going to or coming from the church; that the refusal of the application would create a serious inconvenience to a great number of people.

The Chief Engineer was of the opinion that: "the city of Sherbrooke should be granted leave to open up and construct at their own expense, a 4-foot plank walk with a 3½-foot railing fence to within 6 feet of the gauge side of track, the fence to connect up with the right of way fence; the crossing to be put in at the intersection of Short, Fabre and St. Martin streets, as shown in red on the attached blue-print; the railway to plank and keep in good order the crossing over the tracks proper and for a distance of 6 feet on each side from gauge side of rail. I would also recommend that the city be asked to erect on each side of the plank walk at the edge of the right of way, a warning containing the words: 'DANGER. STOP. LOOK. LISTEN' and the signs to be lit by an incandescent light hung over the word 'DANGER.'"

At the hearing, Mr. McKenzie, in charge of maintenance of way and structures stated:

The question of protection came up, I think at the last hearing, and a wigwag signal was suggested. We could put in a wigwag there for about \$1,400 and it would cost about \$350 a year to maintain it. That is really a capital investment of about \$8,500. You can build a subway there for \$10,000. So that the subway would be very much the better way of handling the situation, because the wigwag signal will not give you nearly as good protection as the subway would. Mr. Prevost referred to the Galt street crossing, which is just 690 feet away. We spent a considerable amount of money quite recently in widening that subway and making it better for the handling of the traffic from one side of the railway to the other, as it is getting very heavy.

The DEPUTY CHIEF: It is a great inconvenience to have to walk 1,200 feet; 600 feet

each way, or 690 feet. It is over 1,300 feet, nearly a quarter of a mile.

Mr. McKenzie: I quite agree that it is a considerable inconvenience, but if you put a pedestrian crossing near a rock cut, where you have no view, it is absolutely dangerous. You have either to separate the grades or to have some form of protection.

The application was for a vehicular and pedestrian crossing, but, after a discussion of the matter with our Chief Engineer, the applicants declared themselves quite satisfied with the establishment of a pedestrian crossing and put themselves on record as limiting their application to that (*Ibid*, p. 8423); and our Chief Engineer now reports as follows:

A short time ago I inspected the site of the proposed crossing for pedestrians at the junction of Short, Fabre and Martin streets in the city of Sherbrooke. Approaching the track from the north side of the track, when one is sixty feet from the track, there is no good view of trains from the west 800 feet away. From the same point trains from the east are visible 800 or 900 feet away. Approaching the track from the south when one is 50 feet from the track, trains from the west are visible 800 or more feet away. From the same point trains from the east are visible 600 feet away. Beyond 600 feet the view is obstructed owing to a point of rock jutting out, and the curvature of the Railway to the south. It is evident that this is the most dangerous feature of the proposed crossing. However, it is to be observed that trains from the east are working up a one per cent grade, and will, consequently, be making considerable noise. From the crossing west the grade is level for about 1,000 feet, and then ascends on an easy grade to the yard. I am of opinion that a crossing for pedestrians at this point will not have more than the usual danger attendant on highway crossings, and recommend that the application for a pedestrian crossing be granted, cost of construction and maintenance to be on the applicant.

I have felt a great deal of hesitancy in this matter. The Railway Act imposes upon the Board the duty of protecting the public as well as that of providing for its convenience, at level crossings. (Railway Act, section 257.)

If the application were still for a vehicular crossing, I think it should be denied, but the application is reduced to asking that the pedestrians be allowed to continue to pass where they have passed for the last thirty years, without any accident being reported.

The city council of Sherbrooke is probably the most interested in the protection of its own citizens. It is thoroughly familiar with the circumstances of the crossing and it persists in its request that leave be granted to its people to continue to do what they have done without injury for a great many years. It undertakes to close the crossing if, in its opinion, it becomes dangerous. (Record, vol. 512, p. 8431.) It is willing further to assume a certain responsibility: "We would have come to an understanding with the Canadian Pacific Railway. The company wanted us to take the whole responsibility of whatever may happen at that crossing. Now we stand ready to take the responsibility for our own citizens, and what would happen as to anything we may do or not do; but we do not want to take the whole responsibility of the matter. We are willing to stand responsible for our own citizens, but we do not want to go any further."

The nearest way of getting across the railway is Galt Street subway, 690 feet west of the point where a crossing is now applied for. It means that pedestrians desirous of going across the railway have to go a distance of 690 feet and come back over a similar distance, namely 1.380 feet or approximately a quarter of a mile.

Taking into account the convenience of the public, the urgent requests of the city council, its undertaking to close the crossing if, in its opinion, it becomes dangerous, and to assume responsibility for the acts or negligence of its own citizens, and the report of our Chief Engineer, I am of the opinion that the application for a pedestrian crossing be granted, the construction to be under the supervision of our Chief Engineer, to whom the plans and specifications should be submitted for approval; the cost of construction and maintenance to be on the applicant.

APPLICATION OF CANADIAN NATIONAL RAILWAYS FOR RECISSION OF ORDER NO. 39349. in re through rates via St. John and Ste. Rosalie Gateway

Judgment of Chief Commissioner, dated September 12, 1927, concurred in by Assistant Chief Commissioner, Deputy Chief Commissioner, and Messrs. Commissioners Boyce and Lawrence. Dissenting judgment of Mr. Commissioner Oliver dated September 14, 1927.

This is an application under section 51 of the Railway Act to rescind the Board's Order No. 39349 of date the 14th day of July, 1927, whereby the Canadian Pacific Railway Company and the Canadian National Railways were directed to publish forthwith joint tariffs naming rates to stations west of the Maritime Provinces via Saint John and Ste. Rosalie Junction, the same as published between the same points via the Canadian National Railways direct, such tariffs to cover all traffic and to have the same territorial application as existed on June 30, 1927.

Instead of complying with the terms of the order, the Canadian National Railways have launched two applications, one before this Board for rescission of the order, and the other for leave to appeal to the Supreme Court of Canada challenging the jurisdiction of the Board to make the order referred to. The grounds relied upon in support of the application to the Board are as follows:—

1. That the Canadian National Railways are most vitally affected by the said order in that our revenues will be most seriously affected and that the benefits that should accrue to the National Railways by reason of the expenditure by the Government of large sums of money in the construction of railways and railway facilities in the Maritimes will to a large extent be lost and these benefits will be handed to the Canadian Pacific Railway Company without any corresponding benefit or advantage to the public.

At the time Order 38275 was issued, it is to be presumed the rates referred to and put into effect pursuant to that order were fair and reasonable rates and nothing has since

occurred in our opinion to make these rates unreasonable.

The principle of the Railway Act has always been that the Board shall fix, determine and enforce just and reasonable rates, and all the important judgments of the Board on Rate Cases have expressed that just and reasonable rates must not only be fair from the standpoint of the public but from the standpoint of the Railway corporations as well.

The Board has issued this order calling for a material reduction in rates without any hearing and without giving the National Railways an opportunity to argue that the proposed

rates are not fair and reasonable.

2. The reduction referred to in the preceding paragraph has been brought about by the

enactment of the Maritime Freight Rates Act since said Order 38275 was passed.

The Canadian National Railways claim that no argument as to other rates can be based upon the reduction in rates provided for in the Maritime Freight Rates Act of 1927 because these reduced rates are declared by sections 7 and 8 of that Act to be statutory and preferential rates and not based upon any principle of fair return to the railway company for services rendered in the carriage of traffic.

The movement of freight via Saint John and Ste. Rosalie Junction gateways is not a "preferred movement" under the Maritime Freight Rates Act, and the Canadian National Railways submit that the operation of that Act should not be enlarged by the Board under

general powers conferred on the Board by the Railway Act.

3. At the time the said Order 38275 was passed, there might have been some argument based upon the interest of the public in the maintenance of the Saint John and Ste. Rosalie Junction gateways, but we maintain that no such reason now exists by reason of the fact that under tariffs recently filed in accordance with said Maritime Freight Rates Act, the Canadian National Railways have made provision for the absorption at destination of switching charges that formerly had to be borne by the shipper or consignee.

The question of the Saint John and Ste. Rosalie gateways has been regarded by the eastern Maritime Provinces as one of great importance inasmuch as it provides a competitive route to the west, and from the time when the construction of the Canadian Pacific Railway gave rise to the advantages of such competition, or at any rate from the date on which this Board began to function, now over twenty-three years ago, rates have been continued under which such competition was possible. About seven years ago gradually the curtailment of such

privilege began and has been followed up by the Canadian National Railways, until it has now culminated in a condition which is depriving the people of the three Maritime Provinces of a competitive route and the many advantages arising therefrom. The history of the course pursued by the Canadian National Railways in this regard may be summarized as follows:—

Late in 1925 the Canadian National Railways issued supplement to their Tariff C.G. Rys. C.R.C. No. 1364 applying on lumber and other forest products from points in the Maritime Provinces to stations in Quebec and Ontario, the effect of which was to eliminate the alternative routing via Saint John and Ste. Rosalie Junction in so far as destinations common to, or in other words reached by, both the Canadian National and Canadian Pacific Railways.

A similar Supplement was issued to their Tariff C.G. Rys. C.R.C. 1352 naming class rates from Maritime points to stations in Quebec and Ontario.

Upon complaints from various parties orders were issued suspending these proposed Supplements pending hearing by the Board. Thereafter, the matter was heard at sittings of the Board held in Montreal, January 8, 1926, following which, Order No. 38275, dated October 19, 1926, issued disallowing the provisions of said Supplements in so far as they proposed to eliminate routings via Saint John and Ste. Rosalie Junction.

The effect of this order was to restore the situation, as to these tariffs, as it had existed for a great many years, namely, that there was a parity of rates via the following routings: First, Canadian National Railways direct; Second, Canadian National to Saint John, thence Canadian Pacific; third, Canadian National to Ste. Rosalie and thence Canadian Pacific Railway.

In this connection it may be stated that there were also tariffs applying on traffic other than that above specified, from Maritime Province points to stations in Ontario, with respect to which the Saint John and Ste. Rosalie gateways had been eliminated at varying periods as far back as January, 1921. No complaint had been made to the Board concerning such change in these tariffs prior to, or at the time of, the sittings of the Board in Montreal, January 8, 1926, which was followed by the issuance of Order 38275. Subsequent to issuance of order just named, complaint was received concerning the other tariffs referred to, and this matter has been standing for hearing by the Board.

With respect to traffic from Maritime Province points to stations in Western Canada, namely, Port Arthur, Ont., and west, for a great many years past, in fact ever since the creation of this Board in 1904, the rates applied via Saint John and Ste. Rosalie gateways. Subsequent to the final co-ordination of the various lines now comprised in the Canadian National system, the situation prior to July 1, 1927, has been that the same rates applied to points in Western Canada, via: First, Canadian National Railways direct; second, Canadian National, Saint John, thence Canadian Pacific; third, Canadian National to Ste. Rosalie Junction, thence Canadian Pacific Railway. No attempt was made to change this situation—consequently, of course, no complaint was before the Board—until July 1, 1927, when in issuing tariffs purporting to be in compliance with the Maritime Freight Rates Act, the Canadian National Railways eliminated through rates from Maritime Province points to stations in Western Canada through the Saint John gateway, and published rates through the Ste. Rosalie gateway that were higher than the rates via their own line direct.

With respect to the tariffs to Ontario points, set out in Order 38275, the change made on July 1, 1927, by the Canadian National Railways in alleged compliance with the Maritime Freight Rates Act eliminated the Saint John gateway, but continued rates through Ste. Rosalie Junction, thence Canadian Pacific Railway, which, with lew exceptions, are the same as the rates published by the Canadian National lines direct.

The changes made on July 1, 1927, as above set out, were brought to the attention of the Board, and it was considered upon looking into the matter involved, that the tariffs filed were not in compliance with the Maritime Freight Rates Act, and consequently Order 39348, dated July 14, issued directing the Canadian National Railways to forthwith publish tariffs of through rates via Saint John and Ste. Rosalie, from points in the Maritime Provinces to stations in Canada beyond eastern lines, said through rates to be those in existence between such points on June 30, 1927, less approximately twenty per cent, as provided in section 3, of chapter 44, 17 George V.

In this connection the Board also had in mind the contention and interpretation of the Canadian National Railways, as to the provisions of section 4, subsection 1, paragraph B, of the Maritime Freight Rates Act, reading: "Traffic moving outward, westbound, all rail—From points on the Eastern lines westbound to points in Canada beyond the limit of the Eastern lines at Diamond Junction or Levis; for example, Moneton to Montreal—the twenty per cent reduction shall be based upon the Eastern lines proportion of the through rate or in this example upon the rate applicable from Moneton west as far as Diamond Junction or Levis." It was realized that in view of the wording of that portion of the Act above quoted, and the method of division of the through rate as between the Canadian National and Canadian Pacific Railways, questions would probably arise as to whether the rates that might be established in obedience to Order 39348, were or were not in compliance with the Act, and considerable time might ensue before these issues could be finally disposed of.

It is not apparent that the Maritime Freight Rates Act contemplated any change in the tariff situation of long standing with regard to alternative routings through Saint John and Ste. Rosalie Junction. The plain intention of the Board that these gateways, and parity of rates through them, should be maintained, is indicated by its Order 38275 and judgment in connection therewith, consequently Order 39349 was issued directing that the Canadian National Railways be directed to publish forthwith joint tariffs, naming through rates from points in the Maritime Provinces to stations west thereof, in Canada, via Saint John and Ste. Rosalie Junction, which will be the same as published between the same points via the Canadian National Railways direct; such tariffs to cover all traffic and the same territorial application as existing June 30, 1927.

At the hearing on the 7th instant a question was raised regarding last clause of Order 39349, reading: "such tariffs to cover all traffic and the same territorial application as existing June 30, 1927." It may be here stated that the order covers the traffic and the same territorial application as existing June 30, or in other words, the word "all" has the same meaning as here used as the word "same." Order 39349 has no application with respect to the tariffs to Ontario points, other than those referred to in Order 38275, which matter is still standing for hearing.

The argument is advanced by the Canadian National Railways that compliance with Order 39349 will necessitate their making a much greater reduction than twenty per cent in their Eastern lines proportion, as stipulated by that portion of the Maritime Freight Rates Act which has already been quoted.

Illustrations given by a witness called on behalf of the Canadian National Railways, figured a reduction in one instance of over 38 per cent under the terms of the order and presented other instances much exceeding 20 per cent. The impropriety as well as the validity of the order was assailed for that reason. But these calculations so presented are without solid foundation. They rest firstly upon the supposition that the Canadian Pacific Railway Company will make no reduction in its portion of the haul—thereby compelling the full reduction upon the Canadian National's part thereof.

There is now, and for some years has been, on file with the Board a general concurrence by the Canadian Facific Railway Company No. W.86, certifying that the Canadian Pacific Railway (lines Port Arthur, Ont., and west thereoi) assents to and concurs in all joint tariffs and supplements that may be published and filed by the Canadian National Railways (lines Westfort, Ont., Armstrong. Ont., and east thereof) in which the Canadian Pacific Railway Company is named as a participant, in so far as such schedules contain rates or regulations which apply within Canada, to er via (not from) the latter company's points. thereby making itself a party to such joint tariffs, and supplements, and agreeing to be bound thereby. There is also on file with the Board the Canadian Pacific Railway Company's general concurrence No. E. 85, certifying that the Canadian Pacific Railway Company (lines Westfort, Fort William, Ont., and cast thereof), assents to and concurs in all joint tariffs and supplements thereto that may hereafter be published and filed by the Canadian National Railways (lines Westfort, Ont., Armstrong, Ont., and east thereof) in which it is named as a participant, in so far as such schedules contain rates or regulations which apply within Canada, to or via (not from) the Canadian Pacific Railway Company's points, and thereby making itself a party thereto and agreeing to be bound thereby.

We therefore have the expressed agreement of the Canadian Pacific Railway to participate in a joint tariff at the rates directed by Order 39349, and its plain and unqualified concurrence in the issuance of such joint tariffs, and, secondly, when counsel for the Canadian National Railways contended that in the publication of joint tariffs such as directed by Order 39349 they would be compelled to make an appreciably greater reduction than twenty per cent in what they designate (following the expression used in the Maritime Freight Rates Act) as the Eastern lines proportion of the through rate, they overlooked the fact that when through rates are modified, the divisions of same between carriers are also frequently modified. This argument was based on the assumption that there would be no modification in the through rate as between the carriers, which may or may not be so. Division of through ratings by the carriers is a matter primarily left for settlement betwen them, but in the event of the failure between the companies interested to agree as to the apportionment of a through rate on any joint traffic, the Board may apportion such rate between such coompanies. (Section 337, Railway Act, 1919, subsection 3.)

What is here involved is the question of joint or through rates from local points on the Canadian National Railways in the Maritime Provinces to stations on the line of the Canadian Pacific Railway. Such joint tariffs have been here-tofore in effect between these two companies with routing via Saint John and Ste. Rosalie Junction or in other words the two points last named have been the point of interchange between these two companies with respect to this joint traffic. The Canadian Pacific Railway cannot of itself, and never could, publish joint rates from local points on the Canadian National Railways in the Maritime Provinces. Under the provisions of the Railway Act a joint tariff must always be issued and filed by the initial company, in this instance the Canadian National Railways, and the other company or companies parties to such joint tariff, in this instance the Canadian Pacific Railway Company, by general or specific concurrence filed with the Board significs assent to and concurrence in such joint tariff. (Section 336, Railway Act, 1919.)

The concurrence of the Canadian Pacific Railway Company in the order complained of is, and has been, in full force ever since such order was made. From the above it seems clear that the apprehension shown by the Canadian National that the full incidence of the reduction will fall on its part of the line, is wholly groundless, for not only by the formal concurrences above mentioned now on file with this Board, but by assurances of counsel given in open court

and of record before us, the Canadian Pacific Railway Company is obligated to bear its proportion of the reduction, and acquiesces in a joint tariff naming rates on the same basis as published by the Canadian National Railways via their own lines direct.

It is complained that the Board, without any right to do so, has included the Canadian Pacific in the order. Had it not been for the course taken by the Canadian National Railways, Order 39349 need never have been made. It is obvious that in describing the routing and directing the course of the movement, necessarily the order involves the Canadian Pacific Railway Company for its line is concerned in the haul. Its recorded concurrence in the subject matter of the order, and its acquiescence in the terms thereof would seem to render inapt and ineffective any argument against either the propriety or the validity of the order based upon such inclusion.

Mr. Flintoft, who appeared for the Canadian Pacific Railway Company at the hearing, supported the contention of the Governments of the provinces of Nova Scotia and New Brunswick, that preferred rates should apply to joint traffic through Saint John and Ste. Rosalie and advised that the Canadian

Pacific Railway was prepared to meet its share of the reduction.

Objection is made to the order on the ground that it is unnecessary and that the Canadian National Railways can take care of all traffic within the territory involved at rates which will put the residents of those localities in no disadvantageous position. This is a matter of principle which concerns itself with the desirability of allowing tariffs which prevent competition, and the Board's view in this respect was indicated by the order of October 14, 1926.

While the passage of the Maritime Freight Rates Act directed the cancellation of all existing tariffs within the select territory, it did not order any change in other traffic conditions, and did not in any way affect the standing or validity of the last mentioned Order No. 38275. When the Maritime Freight Rates Act became operative the order last mentioned continued in effect, with all the force and validity of a duly issued order of this Board. application for its rescission, the Canadian National Railways by the tariffs which it filed ignored and contravened its provisions, and the effect of Order No. 39349 is to ensure that such provisions be carried out. It was stated during the argument that the latter order was made ex parte, as if some innovation were being then caused, or some rights invaded. The fact of the matter is, that the remedy sought by such order was necessitated because of the summary withdrawal by the Canadian National Railways, of privileges long enjoyed by the residents of the lower provinces and without notice set aside by the tariffs filed and suspended. The passage of the Maritime Freight Rates Act has not resulted in a change of conditions so as to necessitate a revision of the view entertained by the Board when it made Order 38275. From that standpoint nothing has been urged which would justify rescinding the order complained of. But it is further argued as a matter of interpretation of the Act in question that the provisions of subsection 4 above quoted, compel the construction that the preferred movement described by the Act is limited to traffic moving through Diamond Junction or Levis. I am not convinced that such construction is the necessary or proper one. As pointed out frequently during the argument, the purview and scope of the Act as revealed in the preamble, and specifically stated in section 8, seems to be wholly at variance with the idea that any advantage existing at the time of its passage in favour of the Maritime Provinces was to be abrogated or curtailed. The subsection in question speaks of traffic moving "from points on the Eastern lines westbound to points in Canada beyond the limits of the Eastern lines at Diamond Junction or Levis." The expression "beyond the limits of" can, and I think should, be construed to mean a distance further than the distance over such lines to Diamond Junction or Levis. Such construction seems much more reasonable than to read it as confining the movement to carriage

solely on the Canadian National Railway to the points indicated. The use of that expression is attributable to the fact that Diamond Junction and Levis are the mileage limits of the rate reduction upon movement over the Canadian National, but it is one thing to use that expression for the purpose of limiting the rate reduction upon such movement, and thereby to determine the quantum of such reduction; and it is quite another thing to say that the full benefits of such reduction are to be confined to traffic passing through those points. The example given in the subsection is not necessarily to be read as confining the movement to the Canadian National Railway lines, for it is remembered that no other road is compelled to participate in the reduction. And where the concluding words of the subsection speak of "the rate applicable from Moneton west as far as Diamond Junction or Levis," it is to be noted that it does not say "from Moncton west to Diamond Junction or Levis" as would naturally be the wording if the reduction were to be confined to the lines of the Canadian National Railways. The expression "as far as" carries the obvious meaning of being equivalent in distance, and I therefore think that as a matter of law we are not bound to come to the conclusion that such movements are only those over the line of the Canadian National Railways.

I am consequently of the opinion that the applicants are not entitled to succeed in their motion to rescind this order, either by reason of any new facts developed since Order No. 39349 was issued by the Board, or on the ground that the preferred movement must be confined to the lines of the Canadian National

Railways.

It was suggested during the argument that the interpretation of certain sections of the Act being disputed, leave to appeal to the Supreme Court of Canada from the Board's decision might be given by way of a stated case raising the questions of interpretation which were argued before the Board. I am not in favour of such course. The question of jurisdiction is here, as always open to appeal, but as to questions of law involved as apart from jurisdiction, I think the same might well be determined by this Board and that such determination should be conclusive, in accordance with section 11 of the Maritime Freight Rates Act.

There remains further the question of the jurisdiction of the Board to make the order complained of. This has been raised by motion for leave to appeal to the Supreme Court of Canada, and the same was to some degree dwelt upon at

the hearing before the Board on the seventh instant.

It is apparent that if the Board should adopt the view that the reasons in support of the order which is now challenged have ceased to exist, and for that cause the order should be rescinded, the necessity for adjudicating upon the question of jurisdiction in regard thereto, would be removed. But the Board has not come to that conclusion. Any decision which the Board may make upon the question of jurisdiction is open to appeal to the Supreme Court of Canada, and proceedings are now pending to determine this important matter. In whatever way the Board might view its powers in this respect, an appeal by one party or the other to this dispute would likely be taken, in order that this may be conclusively determined. It therefore seems to be the proper course to leave this crucial question in all its phases to the Supreme Court of Canada for decision. If it should transpire that the passage of the Maritime Freight Rates Act has denuded the Board of the jurisdiction in this respect bestowed upon it by the Railway Act, its above pronouncement upon the other questions argued in this application becomes of no effect. On the other hand, if full jurisdiction still abides within the Board to dispose of this motion, decision to that effect by the Supreme Court makes further application to this Board unnecessary under present circumstances, since all other matters properly within the Board's jurisdiction touching this application are hereby determined.

The motion to rescind is dismissed.

The Assistant Chief Commissioner:

As set out in the reasons for judgment of the Chief Commissioner, Order No. 38275, of October 1, 1926, went after hearing and issuance of a considered Judgment. This order was in the names of the Chief Commissioner, the Deputy Chief Commissioner and Mr. Commissioner Boyce. This order had not been changed or modified when the Maritime Freight Rates Act became operative. nor was it modified or changed by the legislation in question.

The scope of Order No. 39349, of July 14, 1927, is set out in the reasons for judgment of the Chief Commissioner. This order went in the names of the Chief Commissioner, the Deputy Chief Commissioner and Mr. Commissioner Boyce. Briefly, Order No. 39349 may be taken, in my opinion, as reaffirming and implementing Order No. 38275. The principle of the original order not having been modified, it is not apparent why the order reaffirming

it should be rescinded.

Order No. 39348, of July 14, 1927, deals with the interpretation to be given to the Maritime Freight Rates Act, in respect of the question whether the preferred movement described by the Act is limited to the Canadian National lines. The Chief Commissioner in his reasons for judgment holds that it is not so limited. This is a question of law on which his opinion prevails, under section 12, subsection 2 of the Railway Act.

MR. COMMISSIONER OLIVER:

The condition which is confirmed by Order No. 39349, and which was the subject of the appeal by the Canadian National Railways, is that traffic originating on the lines of the Canadian National Railway system in the Maritime Provinces and in Quebec east of Diamond Junction and Levis, and destined to points in Canada reached by Canadian Pacific Railway lines westward of the railway junctions mentioned (whether also reached by Canadian National Railways or not), may be routed on the order of the shipper and without additional cost to him, over the lines of the Canadian Pacific Railway from Saint John in New Brunswick, or from Ste. Rosalie, 38 miles from Montreal (points common to both Canadian National and Canadian Pacific Railways), to points of destination, instead of being carried by the Canadian National Railways all the way to destination on that system, or to the junction with the Canadian Pacific system nearest to the point of destination, if consigned to a point not reached by the Canadian National Railways.

In the interchange of traffic each railway gets its share of earnings from the total haul, based approximately on its proportion of the total mileage. It is the business of each railway to get as large a share as possible of the gross haul and therefore to have the point of interchange as far from the point of shipment and as near to that of destination as possible. Order No. 39349 arbitrarily fixes Saint John and Ste. Rosalie as points of traffic interchange between the two systems which serve the Maritime Provinces and give rail connection

between those provinces and the rest of Canada.

The Canadian National, in order to be entirely on Canadian territory, is compelled to take the detour north of the state of Maine. For this reason both its lines are somewhat longer than the Canadian Pacific connection which cuts across the state of Maine from Megantic, Quebec, to McAdam, New Brunswick. From Moncton, New Brunswick, which is the point on which the National system in the three Maritime Provinces centers to say Toronto as a typical western point, is 946 and 980 miles respectively by the two Canadian National lines, while it is 900 miles by the Canadian National to Saint John and thence by the Canadian Pacific, a difference in favour of the latter route of 80 and 46 miles respectively, as compared with the Canadian National lines. Although the haul is longer by the National lines, the shorter mileage by the Canadian Pacific governs the rate. Therefore, the extra haul over the National lines is, and always has been, at the cost of the railway, not of the shipper.

It may be that the compulsory interchange at St. John was established in the belief that because of the somewhat shorter haul a more prompt service would be given, although at the same rate. It does not appear to me that the cossibility of a more prompt service, because of a haul shorter by between 40 and 80 miles in a total distance of 900 miles, could be justification for allowing the earnings which would otherwise come to the National, being diverted to the Canadian Pacific, merely because that was the desire of the shipper. It would appear to me that to allow such diversion of traffic from the road upon which it originated under such circumstances, makes possible the introduction of considerations that do not properly pertain to railway service, and cannot tend towards the maintenance or increase of efficiency in that service.

In the case of the interchange at Ste. Rosalie it will be observed that no question of greater promptitude of service because of shorter haul can arise. In that case the Canadian National has hauled its Maritime Province freight over its longer line to a point from which it commends access on equal or more favourable terms as to mileage with the Canadian Pacific Railway to all points in and west of Montreal, whether in the central or western provinces. In Ontario the Canadian National serves a larger number of points than does the Canadian There are very few points of importance in that province served by the Canadian Pacific that are not also served by the National. And yet, under Order No. 39349, the National may be compelled to turn over to the Canadian Pacific at Ste. Rosalie the freight which it has hauled to that point for delivery at all points west of Montreal touched by the Canadian Pacific National, which originated the traffic, gets the earnings on the haul of say 650 miles from Moncton, the Canadian Pacific gets the earnings on the remainder of the haul of say 350 miles to Toronto, and an average of 100 miles more in southern Ontario beyond Toronto. At the same time, there can be no suggestion that the National is not equally well equipped in every particular to give the service required, and on that ground, and in accordance with usual railway practice, is entitled to the total haul and total earnings.

In the case of freight destined from the Maritime Provinces to the prairie west, under Order No. 39349, it may also be diverted at Ste. Rosalie from the National to the Canadian Pacific. In its connections with and in the west, the National is equipped to give the Maritime shipper as good service as the Canadian Pacific. From Halifax to Ste. Rosalie is 765 miles; from Sydney is 918 miles; from Moncton 577 miles, and from Campbellton 424 miles. From Ste Rosalie to Winnipeg is 1.472 miles; to Saskatoon 1.952 miles; to Edmonton 2,321 miles, and to Calgary 2.296 miles. So that while the National system upon which the traffic is originated gets the earnings on 765 miles of haul from Halifax to Ste. Rosalie, the Canadian Pacific gets the earnings on 1,472 miles from Ste. Rosalie to Winnipeg. on 1,952 miles from Ste. Rosalie to Saskatoon, on 2.321 miles to Edmonton or 2.296 miles to Calgary. That is to say, on freight originating at Canadian National points in Nova Scotia and destined for prairie points, the Canadian Pacific Railway gets the earnings on approximately two miles of the total haul for each mile of haul by the Canadian National.

Not only is there no advantage to the shipper in a shortening of haul between Ste. Rosalie and Winnipeg by taking the Canadian Pacific Railway line at Ste. Rosalie, but in fact the all-Canadian National line from Moncton and therefore from all Nova Scotia and Prince Edward Island points and as well from New Brunswick points northwest of Moncton, is shorter to Winnipeg than the combination route by way of Ste. Rosalie. From Moncton to Winnipeg by the National line and the Quebec bridge is 1,806 miles, while from Moncton by Canadian National to Saint John and thence to Winnipeg by Canadian Pacific is 1,974 miles, or by way of Ste. Rosalie 2,047 miles. But by Order No. 39349 the shipper may order his freight by the longer route, the National losing

the benefit of the haul for approximately two-thirds of the total distance. At a time when a compulsory reduction has been made on freight rates over the Canadian National lines within the Maritime Provinces (the burden of any possible resulting loss being laid upon the Dominion treasury), it appears to me to be important that the railway should be permitted to earn all that it fairly and reasonably can by the service which it is equipped to give over the rest of its system to its patrons in those provinces.

The following is the mileage by which the Canadian National Railways and the Canadian Pacific Railway respectively give service to the Maritime

Provinces:—

Canadian National Railways-

Nova Scotia.	1.027	miles
Prince Edward Island	254	66
New Brunswick	1,309	6.6
Total	2.950	66

In addition the Canadian National has 543 miles of line in Quebec east of Levis and Diamond Junction, a total of 3,133 miles.

Canadian Pacific Railway—

New Brunswick Nova Scotia	666 r 292	niles
Total	958	46

In New Brunswick the Canadian National has almost twice as much mileage as the Canadian Pacific and in Nova Scotia more than three times as much. If the two systems were on an approximate equality as to mileage in the provinces affected, and if the compulsory interchange of traffic at Saint John and Ste. Rosalie applied equally to both, the condition would be as fair for one system as for the other. But, first, the respective mileages of the two systems are not approximate in equality and second, Order No. 39349 is directed only against the Canadian National. It does not require the Canadian Pacific to

turn over traffic to the Canadian National on the order of the shipper.

The privilege of routing long-haul traffic away from the railway upon which it originates is sometimes spoken of in connection with Order No. 39349 as a form of competition. I am unable to see how it constitutes competition in the accepted sense of the term, provided there is—as it must be supposed there is—efficient operation of the Canadian National Railways. Competition between railways occurs when both have the oportunity of rendering the same service. There is active competition between the two railway systems at Saint John because Saint John is served by both. Therefore Saint John has no interest in Order No 39349. The same is true of Fredericton, Woodstock, Grand Falls, Edmunston and other less important points touched by both railways.

Shippers at points served by the Canadian National and not reached by the Canadian Pacific Railway, are enabled by Order No. 39349 to route their long haul freight over the Canadian Pacific Railway from Saint John or Ste. Rosalie, but it is difficult to see how that is going to react in greater efficiency in that part of the service for which, under existing conditions, they must be dependent on the Canadian National Railway system. It gives them a weapon by which the National may be injured, but I am unable to see how it provides

an adequate remedy for inefficiency of service, if such exists.

In accordance with the foregoing statement of facts, as I understand them, I find myself unable to assent to Order No. 39542, which refuses the rescission

of Order No. 39349, for the following reasons:-

First. That the effect of Order No. 39542 is to continue and confirm a traffic condition which is contrary to the generally accepted principle that the railroad upon which traffic originates is entitled to the long haul earnings on that traffic.

Second. That the traffic conditions imposed by Order No. 39349 are inherently and seriously detrimental to the earnings of the Canadian National

Railway system.

Third. That "the Maritime Freight Rates Act, 1927," has created a new traffic condition under which the burden of losses on operation of the Canadian National Railway system in the Maritime Provinces is placed directly upon the National treasury, and therefore it becomes more necessary than before that the system as a whole shall be permitted to earn the maximum of which it is eapable, and to that extent lighten the added burden imposed on the Dominion Treasury by the Maritime Freight Rates Act, 1927.

Fourth. That no substantial advantage accrues to the people dependent on the service of the Canadian National Railways in the Maritime Provinces because of the disabilities against that system continued and confirmed by the

Board's Order No. 39542.

APPLICATION OF GUY G. PORTER CO. LTD., in re CLEAR BILL OF LADING OF SHIPMENTS OF SACKS OF POTATOES-C.N. RYS. AND C.P.R.

Ruling of Board dated September 30, 1927

The application in this case, as set out in the applicant company's letter, is as follows:-

We are making large shipments of sacked potatoes from Canadian Pacific Railway and Canadian National Railway points in the Maritime Provinces to domestic and foreign points. We have considerable trouble with claims by the consignees regarding shortages or

discrepancies between the number of sacks loaded and unloaded.

It would be a decided advantage for us to obtain clear bills of lading from the railway, specifying the number of sacks of potatoes loaded in each car. We presume this would necessarily cause the railway to check contents of car as loaded. Under such conditions where a shortage occurred, we would like to have a clear bill of lading, and the consignee would, of course, have the option of filing a claim against the carrier.

We understand that Canadian Pacific Railway circular E1B, second revised page 22,

under bills of lading section No. 21, provides as follows:-

"Shippers loading carload shipments of package freight direct to car on public team tracks at other than flag stations, are entitled to clear bill of lading without notations as to 'Shipper's count,' 'more or less,' etc."

We have several potato warehouses situated at Canadian Pacific Railway and Canadian National Railway loading points, where there are station agents, and we have been trying to obtain a clear bill of lading for shipments from such points. Our warehouses at these points are on a continuation of a team track; i.e., there is a public loading wharf and the track is continued to the warehouse. When the car is loaded, it is placed alongside of the warehouse and loaded direct through the loading door into the car. We don't pay any annual rental or charges on the track at our houses, except in one instance where the track

Under the above conditions, we requested the Canadian Pacific Railway last spring to give us a clear bill of lading specifying the number of sacks in each car. We received

advice from the Canadian Pacific Railway and note from their reply as follows:-

"When potatoes are loaded from a potato warehouse served by a public team track, same will be regarded as if loaded from warehouse situated at a private siding and the same conditions would apply on public team track or private siding located at flag station."

We would like to know definately if we are entitled to clear bills or lading as we requested, under the circumstances given above. We also have warehouses at flag stations, but presume we would not be entitled to clear bills of lading from them.

We thought this would be a matter on which you could enlighten us as there must be

a definite ruling on it.

Copies of the application were sent to the Canadian National Railways, and the Canadian Pacific Railway Company, with a request to advise the Board what stands in the way of consummation of an arragement whereby shippers may be furnished with clear bills of lading under the terms of the

agreement between the carriers and various shippers' organizations which was arrived at in 1916, and in respect to which the Board, under date of January 17, 1917, was furnished by Chairman Ransom (under his file No. 724), with copy of circular No. 121, issued by the Canadian Manufacturers' Association to its members, dated December 26, 1916, outlining the arrangement arrived at in this connection.

The answer of the Canadian National Railways is as follows:—

I note that these people in the first and fifth paragraphs of their letter to the Board, cite the fact that they ship potatoes from Canadian Pacific Railway and Canadian National Railway points. By paragraph 6 I would infer that their trouble is with the Canadian Pacific.

We furnished these people last May with seals and when they applied same to cars we would issue clean bills of lading, as outlined in Canadian Freight Association Circular No. 121, December 26, 1916, and copy of Circular to shippers dated January 1, 1917, which have been further qualified under Freight Association Minute 13132 of April last. Copies of all communications are attached, including a copy of the docket which again brought this matter before the Freight Association.

It is my opinion that the only satisfactory way of giving shippers of potatoes clean receipts is by the use of the railway's or private seals by the shippers. In some cases potatoes are teamed to the railway cars and loaded on team tracks, but as a general rule they are loaded through the private warehouses of the owner, which may be adjacent to private sidings located on the lessee's land, or in some cases on railway land, and again they may be adjacent to siding, a portion of which is used for team tracks.

You will, therefore, see the difficulty of checking cars under these circumstances. I

would strongly urge the adoption of the shipper sealing the cars.

For your information, however, I would like to refer to the Board's Order 23990, C.F.A. 617, dated July 16, 1915, wherein the Dominion Atlantic Railway was ordered to furnish clean receipts for apples loaded at warehouses within 100 yards of an agency station. Potatoes, however, are more of a rural commodity than apples, which are assembled to a large extent at central points, while potatoes are shipped, to a fairly large extent at least, from non-agency points, and it is most desirable, both from a railway and a shipper's point of view, to have a uniform practice. It is on that account that we recommend sealing by the shippers, and clean bills of lading signed by the railway.

Circular No. 121, Canadian Manufacturers' Association (Incorporated), Toronto, December 26, 1916:—

NOTICE TO SHIPPERS AND CONSIGNEES

The railways in Eastern Canada will discontinue the practice of checking freight on private sidings on and after January 1, 1917. In consequence of this, shippers who have private sidings may make the following arrangements:-

A. The railway will give clean bills of lading for cars loaded on private sidings under the following conditions:-

B. Claims under these bills of lading will be investigated and dealt with exactly in

the same manner as they are at present.

C. Shippers may use their own seals that are satisfactory to the railways, or will be furnished by the railways seals consecutively numbered. These seals are to be applied by shippers to all sides and end doors as soon as loading is completed, and a record kept thereof for comparison with seal record at destination. Instructions should be sent to consignee to take record of all seals on cars on arrival, so that they may be compared with the seal record at loading point in event of claims for shortage.

D. Lake and rail inland traffic will be checked by the railways at ports of delivery to the boat lines, and if a shortage is discovered the shipper will be notified at once so that records may be compared and responsibility placed. If freight checks in full to the boat lines, where a clear bill of lading has been given and a shortage develops between port of

delivery to boat lines and destination, the railway will assume the responsibility.

E. Lake and rail export traffic will be checked by the railways at port of delivery to boat lines, and if a shortage is discovered the shipper will be notified at once, so that records may be compared and responsibility placed. If freight checks in full to the boat lines, where a clear bill of lading has been given and a shortage develops between port of delivery to boat lines and the seaboard, the railways will assume the responsibility.

F. All export traffic will be checked by the railways at seaboard, and if a shortage is discovered the shipper will be notified at once, so that records may be compared and

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responsibility placed. If freight checks in full to the steamship company, the responsibility of the inland carriers ceases. In ease of shortage at destination the matter will be one for adjustment between the owner, steamship and insurance companies.

G. The railways will, on request of consignees, promptly send a representative to certify

as to condition of goods received in damaged condition.

H. The railways will, in case of claims for shortage, send a representative to check

shipper's and (or) consignee's records.

I. If a defect is found in a seal record, or if on completion of the unloading of any car a discrepancy is found, goods checking over short or damaged, consignees must notify the local freight agent of the carrier railway at once, in order that steps may be taken to investigate same.

J. The railways will continue, as at present, to check the loading or unloading of

merchandise traffic on team tracks.

K. If railway seals are used, application for additional seals should be made to the local agent at least ten days before supply is exhausted.

Extract from Minutes of Freight Committee meeting, Canadian Freight Association, Toronto, Ont., April 28-29, 1926:—

13132. Bills of lading, clear, issuance of, on Traffic Loaded on Private Sidings (See Minute 12973, etc.) Sub-Committee appointed under Minute 13055 recommended that, effective June 1, 1926, carriers decline to furnish clear bills of lading for shipments loaded on private sidings, except where the shipper executes the following agreement:—

"In consideration of your company giving us clear bills of lading for shipments loaded on our private siding, we agree to be responsible for any shortage on shipments forwarded under the seals supplied us, provided the cars are delivered with such seals unbroken

"This agreement does not relieve the railways from conducting investigation and dealing with any shortage on the same basis as would govern on shipments receipted

by the railways' shippers load and count."

The above agreement will also apply where shippers supply their own seals if clear

bills of lading are desired.

Recommendation adopted and lines interested announced that they would immediately circularize their Agents in accordance therewith, sending copy of Circular to Chairman Ransom.

The Canadian Pacific Railway Company referred the application to the Canadian Freight Association and stated that reply would be made by Mr. G. C. Ransom, chairman of that association.

Under date of March 28, 1927, Mr. Ransom advised the Board:—

That the railways are prepared to carry out the agreement made with the Canadian Manufacturers' Association whereby shippers may be furnished with clear bills of lading under the terms of the agreement between the carriers and various shippers' organizations, as furnished the Board in letter referred to in your communication,

to which the applicant company replied that,—

This application was not for potatoes loaded on our private warehouse sidings. In our letter to the Railway Board dated January 10, 1927, we pointed out that our warehouses were located on public team tracks, that is, the track was continued by the public team where to our warehouse. There was one exception to this where the track was on our own land.

We are not familiar with the agreement with the Canadian Manufacturers' Association

referred to in your letter.

Would you kindly give us particulars of this agreement, particularly as it would apply to potato shipments in packages in carload lots, loaded from our warehouses.

On May 13, 1927, Mr. Ransom sent to the applicant company a copy of the Canadian Manufacturers' Association's circular No. 121.

Under date of July 16, 1927, Mr. Ransom filed with the Board a copy of his letter of July 13, 1927, to the applicant company which is as follows.—

In reference to yours of May 18, wherein you advise the main point to decide is just what constitutes a private siding. The railways have always taken the position that warehouses located as is yours are, in reality, private sidings and they have always been treated as such. The Board of Railway Commissioners in their General Order No. 230, placed w rehouses or clevators abutting on team tracks, in the same category as private sidings. There are many warehouses located along the railways throughout Canada in the same

position as yours, and they have always been and are being treated as private sidings in so far as concerns switching of cars and issuance of bills of lading for traffic loaded or unloaded

The matter was referred to the Traffic Department of the Board and the following is a copy of its interim report of July 23, 1927, which was communicated to the applicant company with a statement that the Board would be pleased to receive written exceptions, if any, taken by the applicant company; the same to be filed within fifteen days from August 20, 1927:-

REPORT

It is stated by Complainant that his warehouse is located on an extension of the team track. The space opposite his warehouse is therefore for his particular use and would not be used by other parties as a team track. Such being the case, the location of the warehouse, must, I think, be considered as being on an industrial track, which in interswitching, car service, etc., is treated as a private siding.

In my opinion the shipper is not entitled to have loading checked by the Agent and should make use of seals in accordance with the arrangement made between the railways and shippers and covered by Canadian Manufacturers' Association, Circular No. 121, dated

December 26, 1916.

RULING

No exceptions having been filed, the Board has directed that the report of the Traffic Department issue as its ruling in the matter.

APPLICATION CANADIAN CANNERS, LIMITED, re SPUR TO WAREHOUSE—CANADIAN NATIONAL RAILWAYS

Judgment of Mr. Commissioner Boyce, dated September 28, 1927, concurred in by Assistant Chief Commissioner, Deputy Chief Commissioner and Mr. Commissioner Lawrence.

The applicants have a cannery, or warehouse, on lot 22, concession "A," township of Haldimand, close to what was Grafton Station, on the line of the then Canadian Northern Ontario Railway, between Cobourg and Brighton. They acquired the property from the Grafton Canning Company, Limited, and that company, under the terms of an agreement, dated October 1, 1912, with the Canadian Northern Ontario Railway Company, had a siding constructed from the main line of the railway to, and serving the premises of the Grafton Canning Company. The applicants took title to the premises since, and subject to the siding agreement above referred to. The agreement is on file.

It may be important to note the terms of the agreement, which are, sub-

stantially, as follows, viz:-

(a) The licensee (Grafton Canning Company, Limited) may construct a siding connecting with the railway, as shown on plan, and the railway will furnish to the Licensee, the requisite rails, fastenings, spikes, and switch materials, which shall remain the property of

(b) The licensee, under the supervision, and to the satisfaction of the railway, agree to perform all work requisite for such construction, including grading, ditching, cattle-guards, culverts, bridging, fencing, and ballasting, and furnish all ties, stop and safety blocks and other things necessary, except the equipment, and lay the track on the siding from the junction point over its entire length, and pay all expenses connected therewith, except cost of equipment. The company agrees to do this work at licensee's request, if the licensee deposits estimated cost thereof plus 10 per cent, subject to accounting as to balance when actual cost is ascertained;

(c) The licensee, during the continuance of the agreement, pays rental for the use of the equipment and for services of the company's employees on the siding, at the rate of one dollar per year, and pays all expenses to the company of signals, safety appliances, signalmen, and other like expenses occasioned to the company, by reason of the existence of the siding; and, a further sum (clause 6 (a)) to cover a portion of the cost of the perishable material and labour, expended by the company in the work of constructing the siding, which sum the company shall repay to the licensee by an allowance of one dollar per car

for each and every car shipped inwards and outwards over said siding, and upon which the earnings of the company shall exceed \$10 per car exclusive of any switiching charge, and upon which all freight and other charges have been paid, until the aggregate of such allowances of one dollar per car shall be sufficient to repay the licensee the sum of \$300, which it is required to deposit, in advance, without interest, but no longer and not otherwise;

(d) The licensee to secure the right of way required for siding outside of the right of way of the company, and indemnify the company against all claims for compensation, damages, or depreciation, by the construction, or operation, of the siding, made by the owners or occupiers of the land, or other lands, and agrees to pay and indemnify the company against taxes, rates, and assessments, connected with the siding, and the property required therefor;

(e) The licensee agrees to route freight shipped to, or from, any part of its premises, and destined to, or coming from any point reached by the company's railway, or connections, to be shipped over the company's railway;

(f) The company's officials to control the terms and manner of using the siding, subject

to non-interference, with the proper use thereof, in the licensee's business;

(a) The company may extend the siding to reach other industries, and may use the siding when not required by licensee's traffic, free of charge, and upon compensation fixed by the company, and paid to the licensee permit other parties to use it, provided such user does not interfere with the licensee's traffic;

(h) The licensee to observe all rules and regulations of the company respecting the

use of the siding as therein set out;

- (i) Should the use of the siding, or part thereof, be, at any time obstructed, or destroyed, on which there may be any loss to buildings, goods, or other things of the licensee, or injury thereto, by reason of the operation, repair, or construction of the company's railway, whether by negligence or not, the licensee would have no remedy against the company or its agents;
- (j) The licensee to indemnify the company against all claims, etc. (and waives all personal claims), of whatsoever description, arising out of, or incidental to the user of the
- siding, or the construction, maintenance, or operation thereof; (k) The licensee not to transfer, or sublet, any rights or privileges, except with the written consent of the company's general manager, or superintendent;

(1) Provision for remedy in case of non-payment of rental;

- (m) Agreement to continue in force for one year, and thereafter at the will of the parties. Termination by either party on giving to the other two calendar months' notice;
- (n) Upon the termination of the agreement, all material and works on the company's land connected with the siding shall remain the property of the company, with incidental provisions;
 - (o) Provision for service of notice under the agreement;

The agreement is, to all intents and purposes in the form of the standard agreement used for spur facilities applied for under section 181-with variations to suit particular conditions.

After the Grand Trunk Railway lines, inter alia, those of the Canadian Northern Railway system, were amalgamated with and became part of the Canadian National Railway system, the siding referred to was operated by the Canadian National Railways, which had then, in consequence of such amalgamation, two lines of railway nearly paralleling one another at Grafton, viz: the Grand Trunk Railway line to the south, and the line of the Canadian Northern Ontario to the north. The distances between the two lines of railway being approximately 1,500 feet. The estimate of cost of construction of the siding asked for, including cost of right of way, incidental expenses and land damages, as found by the Board's Engineer, is \$8.320. One of the natural consequences of the amalgamation of the two railway lines into one system and under the management of one directorate was the inauguration of a policy of avoidance, where possible, and in the interests of economy, of duplicating lines, and the abandonment of those portions of parallel lines which it was found unnecessary to maintain. In the year 1923, the Canadian National Railway system decided to abandon, and did abandon, railway service on the part of the old Canadian Northern Ontario line on which Grafton Station was located, between Cobourg and Brighton, and as a consequence left applicants without siding facilities.

A statement filed by the railway company shows that it effected a saving of \$30,739 annually by the retirement of track between Cobourg and Brighton. The application now before the Board is in the form of a letter from the late Mr. D'Arey Scott, counsel for the applicants, dated August 4, 1925, and is in the following form:—

OTTAWA, August 4, 1925.

A. D. Cartwright, Esq., Secretary, Railway Commission, Ottawa, Ontario.

Re Canadian Canners, Limited, C.N.R. Spur, Grafton, Ontario.

Dear Sr.—My clients, the Canadian Canners, Limited, have a warehouse on lot 22, concession "A," township of Haldimand, county of Northumberland, just north of the old C.N.R. right of way. This warehouse has been the property of my clients, or the predecessors in title, for many years. At one time it was served by a spur from the old track of the C.N.R., but that track was lifted some years ago, and the Southern or G.T.R. track has since been used for all trains. By the lifting of the C.N.R. track, my clients are left without the railway facilities they used to enjoy. I beg to enclose a plan, in triplicate, showing the old right of way, the present track, and a spur line, which we want constructed from the existing track to our warehouse at Grafton. I, therefore, beg to apply, under section 185 of the Railway Act, for an order directing the C.N.R. to construct this spur line, as shown on the enclosed plan.

I am sending a copy of this letter to Mr. Fraser, counsel for the C.N.R.

I might say that we have failed in our efforts to get the railway company to build this spur line for us at its own expense, as I submit, under the circumstances, it should do.

Yours very truly, (Signed) D'ARCY SCOTT.

The railway company's answer to the application is as follows, viz:—

Montreal. September 16, 1925.

A. D. Cartwright, Esq., Secretary, B.R.C., Ottawa, Ont.

> File No. 26825.62; Application of the Canadian Canners, Limited, Grafton, Ontario.

DEAR SIR,—Replying to the above application; we made an offer to the Canadian Canners in the usual terms, which were that if they would provide the necessary right of way and bear the cost of grading, we would supply the switich, rail, fastenings and ties and lay the same, charging therefor the very nominal rental of \$5 per annum, and assuming the cost of future maintenance and repairs.

If this is not satisfactory, an Order for its construction under section 185 can be made, upon the applicants depositing the estimated cost of all the facilities, which will be rebated in the usual way, after which the railway will own the right of way on which the spur is

constructed.

I am sending a copy of this letter to Mr. Scott.

Yours truly,
(Signed) A. FRASER.

This answer of the railway company having been duly served upon counsel for the applicants, he replies, under date September 24, 1925, as follows:—

I have received from Mr. Fraser a copy of his letter to the Board of the 16th instant. I note that Mr. Fraser is willing that an order should go under section 185, provided my clients deposit a sum equal to the estimated costs of supplying the facilities. If this were a new facility the terms suggested by Mr. Fraser might be considered reasonable, but under the conditions respecting this matter, which are set out in my letter of August 4 last, I submit the railway company should be ordered to provide the spur at its own expense. We had satisfactory facilities before the Canadian National Railway was lifted. The company, having seen fit of its own volition to take away the railway line which served our factory, it should, at its own expense, provide a new line connecting our factory with its present tracks, which are old Grand Trunk Railway tracks. This facility can be supplied by building the spur line shown on the plan filed with my letter of August 4.

The Board has power to order an industrial spur under section 185, under whatever terms it deems just. Under present circumstances, it would not be just to put any of the expense upon the Canning Company, or to call for a deposit from that company to cover

the cost of the construction of the spur.

Unless the Board is prepared to grant us the order applied for, on the facts submitted, I ask that this matter be set down for hearing, at Ottawa, at the earliest possible moment, in order that it may be discussed before the Board.

I am sending a copy of this letter to Mr. Fraser.

Mr. Scott's reply being brought to the attention of the railway company, Mr. Fraser rejoined, under date October 5, 1925, as follows (referring to Mr. Scott's answer, just quoted):—

We will construct a spur on the usual terms, provided his (Mr. Scott's) clients will sign the spur track agreement, and, if not, and he wishes to proceed under section 185, we will ask the Board to follow its usual custom, have an estimate made by the Board of the work, and have the amount deposited by the Canning Company.

A copy of that rejoined was sent to Mr. Scott.

Upon these formal presentations, the application came before the Board for hearing.

The prerequisites of the jurisdiction of the Board to make any order, under section 185 of the Railway Act, are the following, viz:—

- (a) The industry established, or to be established, is within six miles of the railway.
- (b) The owner thereof desires to obtain railway facilities in connection therewith, but
- (c) Cannot agree with the company as to the construction and operation of a spur or branch line from the railway thereto; and,
- (d) The Board being satisfied of the necessity for such spur or branch line in the interests of trade.

It was strongly urged by Mr. Scott that because the applicants had enjoyed siding accommodation from the Canadian Northern line—the predecessor in title of the Canadian National Railways (which does not appear to be in any way bound by the agreement)—the latter should, when it took up the track with which that siding was connected, substitute another siding, at its own expense, connecting applicant's warehouse with the southern, or old Grand Trunk tracks, now Canadian National, and he invoked section 185 for this purpose.

Mr. Scott, however, admitted (Record. vol. 445, p. 2446) that the railway company had, in law, the right to take up its tracks and discontinue the service at any time, and this Board has so ruled.

Rossland Board of Trade v. Great Northern Ry. (Red Mountain Case). 28 C.R.C. 24.

Again, in the same case (Board's Judgments, etc., XV, p. 126).

If there were enforceable conditions in the spur agreement with the Grafton Company, to which I have referred, which involve any such liability (and I have been unable to find any), such would be the basis of an action in the courts sounding in damages for breach of the agreement, and this Board would still be without jurisdiction for the reasons stated in the cases cited.

Another difficulty that confronts applicants as regards such contention, is that contained in a clause of the agreement, which reads as follows (Siding Agreement, October 1, 1912):

Agreement, October 1, 1912):—

(Clause 9)

Should the use of the siding or any part thereof be at any time or times obstructed or destroyed, or should any buildings, goods, or other things of the licensee, or other parties placed thereon, be in any manner injured or lost by reason of the operation, repair, or reconstruction of the company's railway, either by the negligence of the company, or its servants, or otherwise, the licensee shall not, by reason thereof, have any claim or demand against the company, or its agents.

It is clear that the use of the siding contemplated by the agreement was destroyed by the fact of change in operation of the company's railway, to wit: the cessition of the operation with which the spur connected, and, if this agree-

ment is binding upon the present parties, this clause would appear to specially exempt the railway company from any liability for the cessation of the operation of the spur.

Mr. Fraser, for the railway company, argued that the "inability to agree" alleged by Mr. Scott, in his application, was not as to ordinary terms of agreement under section 181, but resulted from the refusal of the applicants to consider or accept any agreement, other than that the railway company should build and maintain the proposed new spur entirely at its own expense—thus giving applicants a new spur, free of cost to applicants as to construction and maintenance. This was Mr. Scott's contention, in his original application and throughout his argument.

Mr. Fraser also argued that the meaning of the words "cannot agree" in section 185 was either that the railway company would not agree to construct a spur at all, or would only do so on terms both unreasonable and unfair, and that because neither of these elements are present in the present case, it cannot be said that the industry "cannot agree with the company" and, therefore, the Board should not entertain an application under section 185. He further submitted that the Board must be satisfied that the spur is "an absolute necessity," i.e., "that the industry is unable to carry on its business without the spur," He contends that the question of convenience, or saving, of cartage charges, or making it easier for the industry, are not factors in determining the necessity for the spur under the section invoked; that it must be aparent that there is "a real necessity" before the Board can or should act. He points to the fact, as supporting his contention, that the absence of the spur, after it had become useless by abandonment of the main line with which it was connected, cost the industry but \$700 for teaming for one year; that the industry has been conducting the business for nearly three years without a spur, which, he agreed, indicated that the business could reasonably be conducted without a spur, and, consequently, there was no necessity therefor. Mr. Fraser submits that the application should be dismissed on these grounds.

The position and rights of the applicants quoad and spur facility theretofore enjoyed by them as successors of the Grafton Canning Company under the siding agreement quoted, with the Canadian Northern Ontario Railway Company, which had ceased to operate, and whose property had been taken over by the Canadian National Railways, should now be considered. The old siding agreement had expired. Both the industrial concern (licensee) and the railway company, parties to it, had passed out of existence, and the agreement itself had expired. There was no agreement between applicants and the present railway company for the operation of the siding. That the railway company (Canadian National) had the right, in law, to abandon the line with which the spur had formerly been connected, is beyond dispute. Counsel for applicants admits it. Therefore, the situation, at the time of the abandonment, at that time, by the Canadian National Railways, was that the applicants were without spur facilities, and there was no obligation, express or implied, upon the railway company, when operating its southern line (the old G.T.R.) to furnish it. The position was as if there had been no siding quoad and the Canadian National, and the applicants were left to exercise their remedies, under section 181, by agreement, de novo, with the company, or, failing agreement, under section 185, by application to this Board, if they were in a position to make such application under the latter section.

Under the circumstances I have set out there was, in fact and in law, no right existing in applicants, to any siding accommodation, when the old railway line had been taken up. The applicants must have recognized this. Their conduct, as shown by the evidence, indicated that they did. Before the connection was severed, there was, first, verbal notice from the railway company to

the vice-president and chief eastern operating manager (Mr. Sam Nesbitt) of the Graiton Canning Company, to the effect that the operation of the spur would be discontinued for the reasons stated, and there is evidence that Mr. Nesbitt concurred in the suggestion as a sound one. Then, after connection with the spur had been severed, and by telegram dated August 16, 1923, the applicants protested against the removal of the spur. The applicants took no further steps to endeavour to assert before this Board, or anywhere else, any rights they might have thought they had, to judge from the wording of their application now before us. I refer in passing to remedies such as those provided under section 33 or 35 of the Railway Act, which, had there been any such right as that now asserted, were available to applicants. The spur was removed in August, 1923, and, without further complaint, and without taking any proceedings whatever, the applicants teamed to and from their warehouse to the southern track, with which they now seek spur connection, and that teaming arrangement applicants have enjoyed as a connection with the railway ever since—a period of two years—before their application to this Board of August 4, 1925, and for nearly two years since that date.

I think it is clear, upon the evidence, that the application of this Board, stated to be under section 185, was for an entirely new facility, by a new industry (as to owner) by a new party, and for connection with an entirely new railway. As regards the railway company, the applicants, in applying to the Canadian National for such siding accommodation, were in the same position as any other new industry applying for the like facility, and, because of that, they could not expect, and could not receive, any different treatment, than could, under the Railway Act be accorded by this Board to the hundreds of new industries in the same position as to needing siding accommodation. If section $316 \, (a), \, (5), \, (6), \, (6), \, (7) \, (6), \, (7) \, ($

Extended comments as to the necessity for the spur does not seem to be important in view of the railway company's offer to provide it on terms, certainly not unreasonable, and in many respects less onerous than the original agreement as to the spur on the Canadian Northern line.

The original spur track was built under an agreement to which the Canadian National was not a party. It provided spur connections with another railway and it did not assume the obligations of its predecessor—the Canadian Northern—and the Canadian National having the right, in law, to discontinue the operation of the northern line, when it acquired it, and having, after notice, abandoned it, that abandonment of that line effected a termination of the agreement, and left the applicants without any right to obtain, free of expense to it, siding connection with the southern line. That remedy is what the applicant insists upon, and invokes, section 185, for that purpose, and its failure to agree with the railway company was its failure only to get the railway company to accede to that contention and construct a new spur, and operate it, free of any expense to the applicant, who refused to accept any of the terms. The parties have never, it seems, negotiated as to terms and never failed to agree on terms. The applicant, in effect, says to the railway company, "you took up your tracks, disconnected our spur, leaving us without facilities, and you must give us, free of expense, entirely a new siding connecting with a new line which you have acquired." That means that there is no agreement possible, as to construction and operation of the spur asked for, and there never were any negotiations for any such an agreement, in which the

parties failed to agree. The applicants merely insisted, and before the Board still insist on what they conceived were their rights, to have spur connection with the southern track, free of expense to their institution, for the former facility, as to the northern line, which had been discontinued. It is, clearly, no function of the Board to make an agreement for the parties; neither is it a part of its functions to determine that one negotiating party, or another, is unreasonable in its views as to terms, or in its lack of elasticity in meeting the counter proposals of the other. But, that is not the case here. The applicant invokes section 185 for the purpose of endeavouring to avoid any agreement, which is just what that section does not contemplate. The applicant further insists, under this section, that the Board shall exercise-or assumea jurisdiction under that section to give applicants an unjust and unreasonable preference as to facilities within the mischief legislated against in section 316 of the Railway Act. Its allegation that it "cannot agree" with the railway company, means nothing more, in the circumstances, than that it is unable to get the railway company, by agreement, to transgress the provision of section 316, by getting the railway company to agree to furnish facilities to its industry, upon terms, which it is not required to furnish to any other industry. The failure to get the railway company to agree to such an arrangement does not, I am convinced, put either party in a position where they can come to this Board, invoke section 185 of the Railway Act, and, if successful, put this Board in the invidious position of ordering the railway company to supply facilities contrary to the Railway Act, as to undue and unreasonable preference in the granting of facilities. The claim of the applicants that they have a right to spur connection with the southern line, because the northern line was abandoned, cannot be justified in law or in fact. I think their remedies, so far as the jurisdiction of this Board extends to them, are confined to that section which they have invoked. They have either made out a case for relief under that section, or their application fails.

In the light of the evidence and arguments of counsel at the hearing, the position taken by applicants, as above set forth, is made clear. I quote from

the record, vol. 445, pp. 2445-6:-

Commissioner Boyce: By reason of the change, in the amalgamation of the two roads, the Canadian Northern ceased to be used?

Mr. Scott: Yes.

Commissioner Boyce: And you then wanted the spur connection with the old Grand Trunk?

Mr. Scott: Yes.

Commissioner Boyce: Under what authority are you applying now?

Mr. Scott: Under the Branch Lines clauses.

The DEPUTY CHIEF COMMISSIONER: That is because you are unable to agree?

Mr. Scott: Yes.

Commissioner BOYCE: You are unable to renew the agreement? Mr. Scott: This is no good to us, because there is no track there.

Commissioner Boyce: You want a similar agreement?

Mr. Scott: We do not think we should have a similar agreement. I think they would give us a similar agreement if we would pay for the construction of the line, but our point is that we have not had the service there, and they having removed the main line over which we had the service, and substituted another new line, it is their duty to give us facilities down to that new line.

Commissioner Boyce: You would not expect to get better terms over the substituted spur than you got over that for which you made the agreement?

Mr. Scott: Well, we come to the Board because we want the facilities, and we say that under these conditions we should not be made to pay for it. We had the facilities on their main line track, and they removed that track.

The Assistant Chief Commissioner: Which they had the legal right to do.

Mr. Scott: Yes, as a result of that we are left up in the air, and we ask that they put us back in the condition we were in before, by giving us a spur line from the main line.

And, at pages 2447-8:—

Commissioner Boyce: You had an agreement with the railroad and they discontinued their operations on the main line, as they had a right to do. Now then, they gave you facilities on the other line, did they?

Mr. Scott: No, we have not got facilities on the new line.

Commissioner Boyce: You haul?

Mr. Scott: Yes.

Commissioner Boyce: Now you want the facilities?

Mr. Scott: Yes.

Commissioner Boyce: It is a question of terms?

Mr. Scott: Here is a plan showing the situation. They are now using this line and we have to team down to this station. We want a siding put in, and we say that because of the change being due entirely to their convenience, they should put us back to where we were and give us the service without cost of construction to us.

The DEPUTY CHIEF COMMISSIONER: How much a year did you pay for the old siding?

Mr. CALDWELL: A dollar a year.

The DEPUTY CHIEF COMMISSIONER: Were there any switching charges?

Mr. Scott: I do not think so.

Mr. Caldwell: No; a dollar a year and no switching charges.

Mr. Scott: We will be very glad to do that, if they will construct it for us.

And at pages 2452-3:---

The Assistant Chief Commissioner: As to the terms, I think you agree with me that the siding, after it has been constructed, was in the same position, qua the company's right at law, as the track connected with it.

Mr. Scott: I think so. I think it became part of the company's track.

The Assistant Chief Commissioner: So far as the portion of the track on the land of the Canadian Canning Company is concerned, it is simply an easement.

Mr. Scott: Yes.

The DEPUTY CHIEF COMMISSIONER: Did you try to reach an agreement with the railway? Mr. Scott: Well, we did in this way; that we said we would like this built and we would like them to pay for it, and they said they would build it if we would pay for it.

Pages 2454-5:-

Commissioner Boyce: You make this application because you are unable to agree with the company?

Mr. Scott: Yes; because we do not agree with the company; we are unable to agree with the company.

The Deputy Chief Commissioner: That is, that you cannot agree—not that you will not agree?

Does the Act say you can come to the Board in such case?

Mr. Scott: We are unable to agree. We say, "we want you to build it for us," and we are unable to agree.

The Assistant Chief Commissioner: The terms of the agreement are the terms upon which you have had connection with the railway, or spur facilities in the past. Those are the terms upon which the railway company says they are willing to give you facilities; but you say you will not agree to those terms.

Mr. Scott: We are unable to agree. We do not think it is right under the conditions, that we should be asked to pay for it.

Commissioner Boyce: Why do you say that? Your attitude is that, because you had spur facilities with a railway which has gone out of existence and is no more use to you—the successor of that railway, or the railway into which that railway with which you had connection has become absorbed, should give you free spur facilities; is it that?

Mr. Scott: You say it has gone out of business?

Commissioner Boyce: It has been absorbed.

Mr. Scott: It has been absorbed. It is part of the Canadian National—for their own benefit and for the saving of money to themselves they have made a certain change. It was no good to us, and we say, "If you are making this change for your own benefit, and are going to save money out of it, you should put back this spur.

Commissioner Boyce: It is a claim for a substitution. By reason of the absorption of the Canadian Northern by the Canadian National, you say they should give you the facilities on the Canadian National, which you formerly had on the Canadian Northern.

Mr. Scott: Yes, that is the reason we are asking the Board, under the Branch Lines clause, to depart from the usual practice and put all the expenses on them, because we say these are special circumstances, and it is not like the case of a new line to be built.

Mr. Fraser: I said in my reply that an Order should be made under section 185, upon the usual terms, but I am not going to suggest to the Board that section 185 should not properly be invoked in a case of this kind. The history of section 185—and I have it from the gentleman who drew the section—is this: in the old days the railways were very lax about granting applications from industries for spur lines. They were all built in the old days under agreement prior to section 185 being passed, and it created a great deal of trouble, and Mr. Blair, then Minister of Railways, requested that a section be drafted to give the Board power to compel the railways to put in spur tracks and to stop the deliberate refusals, without giving reasons, which had become prevalent at that time, and section 185 was drafted. I think I am entitled to say now that the intention of that section was to just about balance the conditions which were common in spur track agreements.

In its letter of September 24, 1925, quoted herein, Mr. Scott, counsel for

applicants, said:-

I note that Mr. Fraser is willing that an order should go under section 185, provided my clients deposit a sum equal to the estimated costs of supplying the facilities. If this were a new facility the terms suggested by Mr. Fraser might be considered reasonable, but under the conditions respecting this matter, which are set out in my letter of August 4 last, I submit the railway company should be ordered to provide the spur at its own expense. We had satisfactory facilities before the Canadian National Railway was lifted.

Under present circumstances, it would not be just to put any of the expense upon the Canning Company or to call for a deposit from that company to cover the cost of the con-

struction of the spur.

And, throughout the hearing counsel for applicants took the same position, as shown by the citations from the record, the effect being, as I have before stated, to refuse any agreement and to ask this Board, under section 185, to make an order compelling the railway company—without any deposit, or other terms imposed, to construct and operate the new siding asked for, at its own expense. I see no such power under section 185, nor does it appear that section 185 was put into the Railway Act to make possible any such order. It is quite a novel interpretation which is sought to be put upon the section, as was stated by the Chairman (the Assistant Chief Commissioner) at the conclusion of the hearing, in the following language (p. 2473):—

The Assistant Chief Commissioner: Mr. Scott has raised a new question in connection with section 185—it is new as far as my recollection goes—namely that, having had an application for an order under that section for forced construction, the cost would be

My recollection of the general procedure is otherwise, but a number of points have been raised which will have to be given consideration.

Mr. Scott admitted, p. 2455, that the applicants are asking the Board, under section 185, "to depart from the usual practice" and put all the expense upon the railway company for the reasons he gave in his letter quoted, and at the hearing.

What is asked by the applicants is a remedy, under section 185, which this Board, in exactly similar circumstances, has found itself unable to grant

for want of jurisdiction.

Re Hunter Bros. Ltd. and G.N.R. XV Board's Judgments, p. 126.

It would scarcely be consistent, or proper, for this Board to refuse the one application, because it had no power to grant it, and by applying section 185 in this case, find a way to do, indirectly, what it has ruled it cannot do directly. We were asked at the hearing, by counsel for applicants (p. 2455) "to depart from the usual practice" in order to grant the relief asked under what are "special circumstances," but which "special circumstances" are almost identical, if not quite identical, with those in the case above cited, where the Board refused the application for relief.

I do not think that section 185 of the Railway Act was, by its language, intended to be invoked for any such purpose. Its intention is clearly, I think, to aid the Board's jurisdiction to maintain, as it is required to do, under section 316, equality as regards facilities and to clothe it with power to prevent any undue or unreasonable preference such as is prohibited by that section. Prior to the passing of the 1903 Railway Act there was no such section. Railways could put in spur tracks, or sidings, as they wished, or grant such facility to one industry and refuse it to another, and there were, as is natural, many complaints as to the abuse of a discretion left wholly to the railways. Had section 185 (section 226 of the old Act) not been enacted, this Board would have been crippled in the important function I have referred to.

If effect were now to be given to the application before us the result would be that the applicants would be granted, in the circumstances shewn (if I have correctly assimilated them) by the Board "undue and unreasonable pre-

ference" contrary to the spirit, if not the letter of section 316.

I think that the jurisdiction of the Board, under section 185, should, in every case, be very cautiously exercised to guard against the possible abuse of its intention. All the circumstances under which the section is invoked should, in every case, be most rigidly and critically examined, and relief should only be granted under it where, after a careful sifting of the circumstances it is found that all the prerequisites of the section, hereinbefore set forth, are present, and, in addition to that, that the application is one in which, according to the true intent, meaning and spirit of the section, and to correct abuse, or remedy unfair and unequal treatment, the permissive and discretionary and auxilliary jurisdiction thereby granted to the Board, ought properly to be exercised. It was enacted as a remedy against unjust, over-bearing, and unequal treatment in the matter of granting or placing of facilities by railways. promiseuous or indiscriminate application may work out to entire opposite results. For instance, as is alleged in this case, a spur or siding may be ordered under the section; the applicants depositing the money required by the order and the facility put in. The investment of the applicants is repaid under the terms of the order under this section, on a wheelage basis, by the railway company who is then the owner of the spur. The industry is then shut up, either by insolvency or, as is alleged in the evidence, to be the practice, or necessity of the applicants in the course of their business, and to legitimately advance it, is bought up and closed down to remove competition, and the railway is left with a spur-long or short-on its hands, which it has paid for out of its tolls, and those tolls not being only confined to those payable directly from the operation of the spur. (Hepworth Silicia Brick Co. v G.T.R. 18 C.R.C. 9; affirmed by the Supreme Court, 19 C.R.C. p. 365.) If, as is reasonably possible, this happens in the case of 100 or more sidings, the loss to the railway will be enormous; to the industry nothing. Again, as is referred to in the argument (p. 2467) the exercise generally and indiscriminately, of jurisdicton under section 185, may make it profitable to industries operating under agreements, to cancel those agreements and come to the Board under this section, and, in the result I have instanced, in the end get the spur facilities at the expense of the railway company. It was plainly told us by counsel for the railway company that the applicants had intimated to the railway company that it would do that very thing if order be made under section 185. and this statement met with no denial from applicants, their counsel merely observing "We can deal with that when it arises." Further, p. 2467, the same matter was referred to as follows:-

The Deputy Chief Commissioner: You mean in cases where they have made an agreement, that there is a possibility of their opening the door, and that the canners may cancel the agreements under which the spurs have been operated and apply to the Board for forced construction?

Mr. Fraser: Yes.

Mr. Scott: That can be dealt with when the question arises.

The DEPUTY CHIEF COMMISSIONER: Then, if we make an order we open the door. Mr. Scott: But, you have it in your hands to control each individual case, if there is any subsequent application of that kind, of which I know nothing.

The Assistant Chief Commissioner: We can deal with each individual case on its own merits.

Another result that would follow the making of an order under section 185. in these circumstances, would be that wherever sidings had existed on lines absorbed into the Canadian National Railway system, the operation of which had been discontinued by the railway company, or wherever and whenever any other railway company abandoned a portion of its line as part of its policy of operation, or for other reasons, it would be open to all industries on the lines so abandoned, to make similar applications, upon the same state of facts, and would, in that event, be entitled to similar orders, or, those industries would be discriminated against, and accorded different treatment. In the first instance the Board's judgment in the Hunter Case would be over-ridden by itself, and in the alternative case, there would be a contravention of section 316, permitted by the Board. If, in such instances, such industries had already made the usual siding agreements on the new line, it would be hard for the Board to refuse their claim for similar treatment, if they cancelled those agreements and applied to the Board under section 185.

My view is that section 185 is, because of the circumstances, and for the reasons given, not applicable to the conditions, and that no order should be made under it on the facts presented in this application. Such conditions were, I think, clearly not contemplated by the section, which is entirely discretionary as to its application. Can the Board find, as a fact, that the applicant "cannot agree with the company" as to the construction and operation of the facility referred to? In the face of the facts admitted, and by the written statement of applicants' counsel, before cited, that "if this was a new facility the terms suggested by Mr. Fraser might be considered reasonable . . . but under the conditions . . . set out in my letter of August 4 last, I submit the railway company should be ordered to provide the spur at its own expense" and that (same letter) "under present circumstances, it would not be just to put any of the expense upon the canning company, or to call for a deposit from that company to cover the construction of the spur", coupled with the statement of counsel of the applicants (p. 2455) that "We are asking the Board under the Branch Line clauses, to depart from the usual practice", in making the order asked for; having regard to the Board's decision in the Hunter Case, and to the strict observance by the Board of the provisions of section 316, it seems to me that the Board would be stretching section 185 beyond its intent, spirit and meaning, if it found, in what took place, that "the parties cannot agree as to construction and operation." The applicants based their application upon a misconception of their rights. Quoad the Southern line—and under the ruling in the Red Mountain and Hunter Cases, this was a "new application," and, therefore, they admit that the terms suggested by counsel for the railway company "might be considered reasonable". That, I think, disposes of the Board's discretionary power under section 185. In the face of it I think it cannot find that the applicant "cannot agree" with the company, and if it cannot find that, there is wanting a prerequisite to the exercise of any jurisdiction under section 185. The applicant clearly can agree-because the applicant so plainly states, but will not agree, or consider any agreement because it declines to recede from a contention, which I think is erroneous, in fact and law, and which has prevented it from attempting to agree to terms, which but for such erroneous impression it admits "might be

considered reasonable", and, I think, would have been agreed to without much question. I think that the terms offered by the railway company were and are reasonable, in the circumstances. In the light of disillusionment as to what the applicant erroncously conceived to be its rights (and I do not suggest that the applicant did not honestly believe in them), there seems to be no disagreement between the parties at all, and it follows that no case has been made out for relief under the section under which the application is made, notwithstanding that the railway company, in its answer, suggests that application should be made under section 185. The Board must decide whether that section may properly be invoked, and one of the important prerequisites to the exercise of the discretionary powers conferred by the section, viz., the fact that the parties cannot agree, being absent, no order can properly be made under it.

The application fails and must be dismissed.

THE ASSISTANT CHIEF COMMISSIONER:

Application was made for construction under section 185, said construction to be at the expense of the railway; that is to say, an attempt was made to have the application placed under section 185, while at the same time rendering it free from the provisions of the section in respect of deposit, etc. Wider considerations were, it is true, raised as to the obligations alleged to be involved. These have been given a most careful and acute analysis in the reasons for judgment of Mr. Commissioner Boyce.

Without the slightest disparagement of the reasoning set out, I have to say that I do not, at the present juncture at least, find it necessary either to concur in or dissent therefrom. As I read section 185 and as I refer to what has been, I understand, the Board's uniform practice under the section—which practice is insportant as making clear the interpretation of the Board—the application to have the construction at the railway's expense has no standing under section 185, and I, therefore, agree that the application should be dismissed.

APPLICATION OF CITY OF OWEN SOUND, ONT., AND GREAT LAKES ELEVATOR COMPANY, in re interswitching facilities—canadian pacific railway and canadian national railways

Assistant Chief Commissioner and Deputy Chief Commissioner.

This is an application presented by the City of Owen Sound and the Great Lakes Elevator Company for a revision of the apportionment of the costs of construction and a reapportionment of the cost of maintenance made under the Duar I's Orders Nos. 33594 and 38416, having to do with the establishment of interswitching connections between the Canadian National Railways and the Canadian Pacific Railway Company at Owen Sound by means of a bridge across the Sydenham river, and the necessary alteration of, and addition to, trackage occasioned by such orders.

By the Board's Order No. 33594 of date the 27th day of April, 1923, interswitching facilities were directed, and as regards the costs occasioned by the operations, which is the matter here discussed, the order provides thus:—

3. That the cost of constructing the said Interchange tracks be borne and paid one-third by the applicant and one-third by the Canadian National Railway Company; the Canadian Puche Rollway Company and the Owen Sound Elevator Company each to pay one-sixth of the cost thereof;

4. That the Canadian Pacific Railway Company maintain that portion of the tracks lying on the eastern side of the Harlour, up to the southern side of Tenth Street; all other track maintenance, including the maintenance and rebuilding when necessary of the trestle bridge across the harbour, to be borne equally by the applicant and the Canadian National

Railway Company; and the maintenance, and the present or future protection of the cross-

ing of Tenth street to be borne by the applicant.

5. That the cost of adjacent or abuttal land damages, if any, be borne equally by the

applicant and the Canadian National Railway Company,

Reference to the order discloses that the interchange was directed to take place on the western side of the harbour according to plans filed with the Board, and involved building 3,700 feet of trackage facilities. On the 18th day of October, 1925, an application was made by the city council of Owen Sound and the Board of Trade of that city, for a change in the interswitching order, No. 33594, asking that the location of the interchange track be changed to the eastern side of the river. Such application was listed for hearing and the matter developed at a sitting of the Board held at Owen Sound on December 3, 1925, attended by counsel for the city of Owen Sound, the Canadian Pacific and Canadian National Railways, the Dominion Transportation Company, the Great Lakes Elevator Company Limited, and certain property owners on the western side of Second avenue. No opposition was offered to the proposal to change the interswitching operations to the eastern side of the river which was understood to involve trackage amounting to 6,000 feet, absorbing 1.160 feet of Canadian Pacific Railway Company's tracks for that purpose, which necessitated building new team tracks and loading facilities in substitution for what was taken from the Canadian Pacific for the common use, as well as a further extension of 220 feet of track for siding and loading pur-

Thereupon Order No. 37156 dated December 28, 1925, was made in amendment of the original Order No. 33594, so as to permit of the change of location of the interchange tracks from the west to the east side of the river, and to approve the location as submitted, as well as to authorize the construction of certain team tracks by the Canadian Pacific Railway Company to meet the changed situation. Paragraph 3 of such Order 37156 reads as follows:-

3. That the Canadian Pacific Railway Company be, and it is hereby authorized to construct team tracks on Marsh street (First avenue East) as shown in red on plan O.B. 878 dated 28th November, 1925, filed; the cost of such tracks to be kept separate from the cost of the interchange facilities, and to be paid for by the Canadian Pacific Railway Company and the city of Owen Sound, as they may agree. Any dispute between the parties to be referred to the Board for settlement.

Order No. 37156 did not purport to deal with the general costs of the under-

taking apart from what is set out in paragraph 3 above quoted.

When the matter was called for hearing, counsel on behalf of the Canadian Pacific Railway Company agreed to the change providing no extra cost was imposed upon that company, and remarked that it was their view that they should not be called upon to contribute to any extent to the cost of the work, but being assessed under the former order they were not now raising any objection thereto, and after conference with the city, they had outlined the terms on which their assent to the change had been given.

Counsel for the Canadian National Railways said that they were quite prepared to fall in with the views of the city that interchange tracks be on the eastern side of the river, but opposed any suggestion that they should be called upon as part of the scheme to bear any portion of the cost of providing the Canadian Pacific Railway with facilities at the other end of the yard. At the conclusion of the argument the Board announced that the order for the change would go at once and as far as the question of costs was concerned it would be settled with as little delay as possible.

The following extract from the record of the proceedings before the Board

may be noted:-

Mr. Birnie: On behalf of the elevator company I would just like to explain our interest in the present hearing. The original order was made largely in contemplation of the elevator being erected. When that order was made the elevator was gone ahead with, it has been erected and is now full of grain. The crying need we at present have is for interchange

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facilities; we are losing business every day by the delay in this matter. We are perfectly satisfied with the original order and have no desire in any way to change it. On the other hand, we have absolutely no objection to the proposed change, on one condition, that it does not unduly delay the actual construction of the interswitching. I should like to impress upon the Commission the absolute necessity for immediate interchange facilities for our elevator. (Vol. 445—p. 2504.)

Mr. Cameron (for city): Before you adjourn it is understood that the order goes and

the railway companies can commence the construction of the bridge at once?

CHIEF COMMISSIONER: To-morrow morning if they want to. Commissioner Lawrence: They may commence this afternoon.

Order No. 37156 followed such hearing directing as above detailed. Subsequently by application to the Board on January 20, 1926, the Canadian Pacific Railway Company requested that Order No. 37156 be amended to provide that the cost of construction of new team tracks and lead, which it had to provide in substitution for the trackage which became part of the interchange works, be included as part of the general cost of the work. It will be remembered by the provisions of Order No. 33594 the work was to be paid as follows: one-third by the city of Owen Sound; one-third by the Canadian National Railways: and the remaining third equally between the Canadian Pacific Railway Company and the Owen Sound Elevator Company. The Canadian Pacific Railway Company's application was submitted to the city solicitor of Owen Sound and to counsel for the Canadian National Railways, inviting their submissions, which were duly filed of record, and thereafter further Order No. 38116, dated September 16, 1926, was made, directing that Order No. 37156, of date December 12, 1925, be amended by striking out the third paragraph thereof, and substituting therefor the following:—

3. That the Canadian Pacific Railway Company be, and it is hereby, authorized to construct the team tracks and lead thereto on First avenue East (Marsh street) between 11th street East and 13th street East, as shown in red on plan 0-B-878 dated November 28, 1925, on file with the Board under file No. 6713.23; the cost thereof, less the cost of 220 feet of track, and the value of its existing team track on First avenue East, south of 11th street East to form part of the general cost of the work provided for under the said Order No. 33594 and this order.

And the following was added to said Order No. 37156 as section 5 there-of:—

5. That the Canadian Pacific Railway Company maintain at its own expense the new tracks which it is authorized to construct under paragraph 3 hereof, and that the Canadian National Railways maintain the interchange and connecting tracks on First avenue East, south of Eleventh street East, and also the track connecting with the Canadian National Railways on the west side of the river, including the bridge over the same; the expense of such maintenance to be borne and paid in equal shares by the Canadian National Railways and the city of Owen Sound, save and except the expenses of maintenance and operation of any present or future protection at the said crossing to be borne by the city.

After the issuance of said last mentioned order, and on the 20th day of October following, the city of Owen Sound through its solicitor alleged that no notice was received by the city of Owen Sound or by himself that any application for the change in Order No. 37156 was to be made, and contended that it should have had notice and opportunity of stating its position in regard to the matter; and further advised that the city of Owen Sound was emphatically opposed to clause 5 above quoted. Following such protest, further representation was received from the Great Lakes Elevator Company Limited regarding the last mentioned orders, alleging unfairness had been done to the city and also to itself, and asking that further investigation be made. After the matter had been developed by further correspondence, and due notice been given, it was brought on for hearing at the city of Ottawa on the 12th day of July last, at which time and place representatives of all parties were heard. Mr. McCarthy, K.C., applicated for the city of Owen Sound and for the Great Lakes Elevator Company in support of a motion to alter the terms of apportionment of the cost of con-

struction, as well as of maintenance. As regards the elevator company, he contended that it should not be burdened with any of the costs of the Canadian Pacific railway company's team track, even if contributing to any of the costs of the interchange facilities. He argued that the jurisdiction of the Board to impose any burden upon the elevator company under an order of this nature is in doubt, and referred to the judgment of Chief Commissioner Carvell as expressing doubt in that particular. As far as this branch of this application is concerned, it may be said at once that section 253 of the Railway Act empowers the Board to determine what company or companies, or other corporations, or persons, and in what proportion the cost of making any such connections as are here ordered shall be borne, and thus seems to settle this question conclusively. The practice of the Board has been in conformity with the terms of the present order, and I think no serious question can arise in that particular. (See also section 39 of the Railway Act.)

As to the fairness of such order, from the correspondence on file, the observation of Chief Commissioner Carvell in his judgment, that the Owen Sound Elevator Company is the moving spirit behind the application, is completely justified, and Mr. McCarthy's observation that "as far as the city of Owen Sound is concerned being the applicant, that the Board is without jurisdiction to saddle them with any portion of the cost" in the light of the judgments of the Board, must be negatived. It being clear that the Board has full jurisdiction to deal with the matter as indicated in the order, the only question that remains is the justice and fairness of the apportionment made by the original order,

and as subsequently amended.

All interests have benefited by these works. A perusal of the record shows that without the interswitching facilities the elevator would never have been erected—or so it is stated. Under the original order, 3,700 feet of track including the present, were to be constructed. Under the revision consequent upon changing the switching from the western to the eastern side of the river, 6,000 feet of track including the bridge track, had to be built, and of this amount 2.300 feet were necessary to provide the Canadian Pacific Railway Company with team tracks in lieu of the tracks given up by that company. The new arrangement resulted in giving to the Canadian Pacific Railway Company 220 feet more team trackage than it gave up, and the order requires that this 220 feet be constructed by the Canadian Pacific Railway Company at its own expense, leaving 2.080 feet to be added to the general scheme. It is fully established that the city was aware of the change which was being made in the Canadian Pacific Railway Company's trackage and facilities. It made no protest in regard to the division of costs specified in the original order, nor did it ask that the increase in the trackage made necessary by the arrangement between the city and the Canadian Pacific Railway Company to move the interchange from west to east, and the expense of providing a new location for the company's team tracks should alter the proportional liability as allocated between the city and the Canadian Pacific Railway Company. It is, I think, reasonable that the cost of construction of team trackage necessary to put the latter company in the same position as it was prior to the interchange facilities being ordered, be made a part of the general cost of the work. Having regard to the change of location it would seem that no unnecessary changes in the incidence of construction or maintenance costs are made.

By the original Order No. 33594 of April 27, 1923, the construction costs are allotted—one-third to the city, one-third to the Canadian National Railways, and the other third equally between the Canadian Pacific Railway and the elevator company.

By the order appealed from, No. 38116 of September 16, 1926, construction costs remain under the same allotment and the expense of construction of facili-

ties necessary for the Canadian Pacific Railway Company to replace what is taken from it, for interswitching purposes, is put into the general cost of the work and only to the extent of trackage so built—a further construction of

220 feet is to be paid for by the Canadian Pacific Railway Company.

And so far as the costs of maintenance are concerned, no change has been made. Under both orders the Canadian Pacific Railway Company was, and is, obliged to maintain its own trackage, and the Canadian National Railways and the city are to bear equally the cost of all other maintenance, except that of the 10th street crossing and its protection, which both orders have placed upon the city.

Regarding the whole situation, I do not think any fairer allotment can be made than that which is set out in the orders under review. Statistics were filed showing the number of cars handled through the interchange for the respective companies. They show that more cars were switched for the Canadian Pacific Railway Company than for the Canadian National Railways, but it is difficult to judge from that fact which lines derives the greatest benefit. Statements were put in showing the number of cars received from the Canadian National Railways, by the Canadian Pacific Railway Company for Canadian Pacific haul; also cars interswitched to the Canadian National Railways by the Canadian Pacific Railway Company for Canadian National haul; also cars handled via the Canadian National to Owen Sound and interswitched for placing in Owen Sound, as well as cars hauled via the Canadian Pacific Railway to Owen Sound and interswitched to the Canadian National Railways for placing in Owen Sound; and in all of these it appears that the Canadian Pacific Railway Company has a numerical advantage. It is contended by the Canadian Pacific Railway Company that a large amount of traffic formerly tributary to its line has, through interswitchmg, been diverted to the Canadian National Railways, but that little traffic is received from the latter which would not have been enjoyed by the Canadian Pacific Railway Company in any event, and as to elevator traffic, it is pointed out that of a total of over 900 cars received up to the end of last October by the Canadian Pacific Railway Company from the elevator, over 450 cars were for export and not quite 350 for local points. The Canadian Pacific Railway Company claims that if the elevator had not been constructed, undoubtedly it would have received the haul on most of the grain traffic from either Port McNicoll or Goderich, as the shippers would have filled their requirements out of the grain stored in elevators on Canadian Pacific tracks, routing by the Canadian Pacific line; and it also points out the fact that out of 346 local cars, 316 were for Canadian Pacific points.

It is difficult to weigh the disadvantages or advantages in connection with interswitching in evenly balanced scales, but on the whole I think it is not shown that the orders made are unjust or unfair in any respect, nor that the

same should be rescinded or varied, and the application is dismissed.

In the cost of transportation of coal from producing points in western canada to consuming points in ontario—order in council p.c. no. 225, february 15, 1926

Report to His Excellency the Governor General in Council, dated September 9, 1927.

In compliance with the directions of Order in Council P.C. 225, of date the 13th day of February, 1926, advising that,—

the Board of Railway Commissioners for Canada be requested to immediately inquire and report to the Government upon the question of the cost of transportation of coal per ton

in full capacity train-load quantities for such seasonal movement as above mentioned from producing points in Western Canada to consuming points in Ontario, such inquiry and report to show as nearly as practicable the particular cost of such movement, both exclusive and inclusive of the costs that would have to be incurred by the railways in any event and whether any extra or additional coal movement take place as the result of special rates or not, and both exclusive and inclusive of the element of profit to the transportation companies; to the end that the Government shall be informed as nearly as may be what rate or rates per ton for the transportation by railways of coal from producing points in Western Canada to consuming points in Ontario would pay the actual cost of the said movement (both exclusive and inclusive of overhead, superintendence, and allowance for operative profit) respectively (a) from an operating standpoint and eliminating the costs that would have to be incurred in any event as above mentioned, and (b) inclusive of the same.

The Board submits as follows:--

It was hoped that prompt co-operation would ensure quick disposition of this reference, and to facilitate the same, on the 19th day of February, 1926, the Board forwarded copies of the Order in Council to the Canadian National and the Canadian Pacific Railway Companies asking their submissions in respect thereto. Beyond formal acknowledgment no reply was made, and on the 24th day of February, 1926, this matter was spoken to by Mr. Woods, counsel for the province of Alberta, during the hearing of the General Freight Rate Investigation, and he formally submitted request for certain information to the railway counsel and was thereupon directed to file his submissions in writing and send them to the railway companies concerned.

On the 9th of March, 1926, Mr. Lawson, for the province of Ontario, applied to the Board for an order directing the Canadian National Railways and the Canadian Pacific Railway Company to furnish statistical information subdivided into fifteen heads, which application was set for hearing before the Board on the 30th day of March, 1926, thereby providing an interval during which it was expected that the data asked for would be under way. At the request of the province of Ontario this hearing was adjourned until the 16th

day of April following, in order to give further time for preparation.

On the day last mentioned, the Board settled the particulars then asked for and in dispute, and directed that the railway companies supply the same by the 1st day of July then next, such date having been represented as the earliest possible period at which the data required could be collected, and after which it was directed that summary application be made to the Board to fix a date for hearing, which, if then applied for, and the parties been ready, could have been set, and the matter disposed of a year ago.

The Board after a period which to it seemed sufficient, namely on the 14th day of July, 1926, drew the attention of the railway companies to the fact that they were to supply information by the 1st day of July, after which formal application was to be made to fix a date for hearing, and as no such application has been made immediate attention to the matter was requested. Further information was supplied, but on the 10th day of September, no application to set the matter down for hearing having been presented, the auditors acting for he province of Ontario were asked by the Board to state whether all the infornation mentioned at the preliminary hearing on the 16th day of April, 1920, nad been furnished, and when the province would be prepared to make applicaion to the Board to fix a date for hearing. Thereupon the Board was notified y letter on the 17th day of September. 1926, that the province would not be in position to take the matter up until the 1st of November then next. During he month of November, the Bell Telephone Case was being heard, and the inal hearing in the General Freight Rates Investigation had been set for the 0th November.

It may be said that the railway companies in justification of delay on their art, urged that their expert traffic officers were busily and continuously engaged

taking out data for the General Freight Rates Investigation and could not be withdrawn from that work. On being released from the larger hearing, they

gave immediate attention to the data required for this inquiry.

But from all this, it is apparent that notwithstanding the parties at various times were urged by the Board to expedite preparation of their schedules, lack of information prevented them from bringing the matter before the Board for hearing prior to the commencement of the final hearing of the General Freight Rates Investigation, which began on the 30th November, 1926, and continued until the 30th April, 1927. During that hearing, namely, on the 10th day of December, 1926, Mr. Woods made application to interrupt the proceedings for the purpose of taking up the Coal Inquiry, but in view of the fact that many counsel were present from all over Canada engaged in the former case, the importance of which demanded unbroken attention, it was deemed unwise to accede to such request.

Necessity for instant attention on the part of all the Board to the questions involved in the General Freight Rates Investigation, and their determination before the 1st of September instant, prevented decision in this matter until the

former was disposed of.

The compelling necessity of hearing and promptly deciding the questions involved in the Telephone Inquiry and the General Freight Rates Investigation forced postponement of several matters of great importance to different localities, and on competion of the Telephone Inquiry and the Freight Rate Investigation, it was necessary to instantly assign three members to the disposition of such matters insistently demanding attention, while the remaining three members, namely the Chief Commissioner, the Assistant Chief Commissioner, and Mr. Commissioner Oliver, at once took up the reference from the Privy Council in its Order, P.C. No. 225.

On the 26th day of May, 1927, all parties in interest met at a hearing before the Board's Chief Traffic Officer, at which various details were presented and discussed, and the matter was finally presented to the Board on the 7th

day of June last and completed on the 13th day of that month.

After full consideration and study of the evidence and exhibits placed before the Board, figures were arrived at which furnish the best answer the Board can give to the various phases of the inquiry submitted in the order. The opinion of the three members, however, is not unanimous. That of the Chief Commissioner and the Assistant Chief Commissioner sets—

In the opinion of Mr. Commissioner Oliver the same are as follows-

Attached hereto are the detailed reasons and calculations upon which the above opinions are based.

Respectfully submitted,

(Sgd.) H. A. McKEOWN, Chief Commissioner.

(Sgd.) S. J. McLEAN, Assistant Chief Commissioner.

(Sgd.) FRANK OLIVER,

OTTAWA, September, 1927.

REASONS

THE CHIEF COMMISSIONER:

THE ASSISTANT CHIEF COMMISSIONER:

In preparation for this inquiry, the Provincial Governments most particularly concerned, namely those of Ontario, Alberta and Saskatchewan, sought expert advice upon the question under investigation, and have submitted the testimony of Mr. George W. Oliver, whose evidence and the exhibits presented by him, are relied upon as conclusive in regard to the questions at issue. The railway companies rest upon the testimony of their traffic officers in support of figures in some respects considerably different from those presented on behalf of the provinces.

Their methods of calculation differ so materially that it is not feasible to compare them step by step, but nevertheless, certain basic items are comparable, and making every allowance for different data used, a figure can be arrived at,

to which the calculations of each can be brought for consideration.

Order in Council P.C. 225 directs,—

(1) A report on the cost of transportation of coal in full capacity trainload quantities for the period of the year when the rolling stock of the railways is not mobilized for the transportation of the grain crop in Western Canada;

(2) the seasonal movement of coal is one spoken of as being from the producing points in Western Canada to the consuming points in Ontario;

(3) there is to be ascertained "as nearly as practicable" the "particular" cost (a) exclusive of the cost that would have to be incurred by the railway in any event; (b) inclusive of the cost that would have to be incurred by the railway in any event;

(4) and both exclusive and inclusive of the element of profit to the trans-

portation companies.

In summary, what is asked for, as we understand it, is,—

(1) The out-of-pocket cost;

(2) The out-of-pocket cost plus the coal traffic's share of the cost incurred in any event, the latter cost being diluted by the added ton mileage resulting from the coal movement; and

(3) Also item (2) plus the element of profit.

In round numbers, the Canadian National has figured on 10,000 box cars being available for a seasonal movement between January 15 and July 15, and the carriage of approximately 1,000,000 (1,016,272) tons during that period.

Mr. Oliver, the expert witness for the province of Ontario, did not take into consideration any particular volume of coal. He intimated that he did not consider quantity was an important factor, and he dealt with coal in this movement as being traffic intermingled with other traffic and not with trainload movements. In evidence, at p. 8842, he said that coal would never be handled in exclusively solid trains. While the expert for the Canadian National assumed that 1,000,000 tons could be handled with the equipment available on the off peak movement, he testified that he could not be sure the equipment would be available to carry this amount every year.

In reporting on the question of cost, it must be noted that it is impossible to get at the exact cost of a particular movement in railway traffic. All that can be done is to approximate cost; and as emphasized by the experts in connection with the present investigation the element of opinion is very important.

Mr. Mallory, for the Canadian National, at p. 9175, stated that what was asked for in this case was "altogether unique in railroad experience, and that while the railway desired to do everything it could to assist in obtaining the

information, its submissions were not to be understood to be advancing a method which will find the cost of any given commodity." At p. 9174, he sets out that the accounting rules prescribed for railways by regulative bodies in the United States and Canada apparently have not been formulated with the object of ascertaining such cost data as are here asked for. He states "other railway statistics so far developed have not made cost accounting possible to the extent that rates may be saiely based on the results." Mr. Oliver, the expert for the province of Ontario, stated, at v. 8994, that it was not claimed that the exact cost had been ascertained in his studies, but that what had been done was to set forth information which would be helpful to the Board in determining the out-of-pocket costs. Mr. Oliver's studies were limited to out-of-pocket costs. At p. 8898, he stated, "In a study of this sort it is impossible to secure accurate results: all you can get is a range of costs."

It may be noted that in striking two bases of out-of-pocket comparison which he names "A" and "B", and which are referred to later, there is a spread of 15 per cent between these two bases which were set forth as dealing with a maximum and a minimum. As bearing on the results set out in the provincial submissions as basis "A" and basis "B", some comments are necessary. Basis "B" which gives an out-of-pocket cost of \$6.087 is based upon the idea that there will be 100 per cent empty mileage westbound. In submitting this basis "B", Mr. Oliver queries this as being excessive, stating "it is not altogether certain that additional coal business from Alberta to Ontario will result in 100 per cent empty movement."

In the interchange between Central and Western regions in 1926, 25,218 loads moved east and 17,541 moved west. The average loads per month east were 2,101; west, 1,450. If further analysis of the loads is made it will be found that in 1926 the months January, February, March and December took 13,171 loads. In 1926, of 10,211 empties moving westbound 7,322 moved in the months of April, June, July and August.

The Canadian National, whose figures are above set out, estimates 100 per cent empty car movement westbound. On conditions as they exist, and unless there is a change which has not yet so far taken place, the nature of the traffic to and from the west, being, in the main, bulk traffic out and higher valued less bulky traffic inbound, of necessity creates a disparity in terms of empty mileage; and there is no evidence which warrants the conclusion that for some time at least the coal movement eastbound will be offset by loaded car movements westbound.

Mr. Oliver, for the Provincial Gevernments, based his calculation upon a movement of coal from:-

- (a) Drumheller to Toronto—1.991 miles.
- (b) Edmonton to Toronto—2,002 miles.

In estimating the movement, Mr. Oliver takes a load of 36 tons. Mr. Mallory, for the Canadian National, takes a load of 33.4 tons. This average of 33.4 tons is worked out on the special movement of coal which actually took place in 1925-26. The use of 33.4 tons as a divisor in working out cost per ton instead of 36 tons makes a difference of about 8 per cent. The 30-ton box car has an axle load gross capacity of 513 tons, the average tare of these 30-ton box cars being 17.5 tons. This leaves a maximum load of 34 tons for the so-called 30-ton box car.

It was testified that one reason why there was a preponderance of 30-ton cars used in the special movement above referred to was that the province of

Alberta was desirous of getting smaller loads which would be more readily distributed; and it is intimated that there would be no difficulty now in getting heavier loads. This, again, is a matter of opinion on which no data are available. Pending development of traffic, the only safe measure of what will move per car is what has already moved in the special case referred to.

Mr. Oliver has confined himself to an estimate of out-of-pocket costs only,

and has figured the problem in two ways.

Basis A.—Using the cost ascertained by his method of hauling the loaded car east, and the empty car west, as shown by his analysis, and.

Basis B.—Using the ascertained cost of hauling a loaded car east and assuming an equal hauling at equal cost for returning the empty car

Following the accepted method of railway accounting, he subdivides the major expenses of the operation into:-

- A. Maintenance of way and structures.
- B. Maintenance of equipment.
- C. Transportation.
- D. Taxes.

And taking every car of coal carried, he allots expenditures to each based upon the four major divisions immediately above noted, and arrives at results thus:-

	Edmonton to Toronto Drumheller to T		1991	
· manual			to Toronto	
	Basis A.	Basis B.	Basis A.	Basis B.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Maintenance of Way and Structures Maintenance of Equipment Transportation Taxes	30 85 59 27 88 84 2 02	30 85 66 56 111 30 2 02	30 68 60 84 95 47 2 08	30 68 68 18 118 15 2 08
Totals (1 car)	180 98	210 73	189 07	219 09

Dividing each of the above totals by 36 (the number of tons in each car) he finds a tonnage cost of:-

Ē	5 03	5 85	5 25	6 08
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The above is submitted on the part of the provinces of Ontario and Alberta as the out-of-pocket costs of the movement, exclusive of overhead, superintendence and operating profit. Mr. Oliver in his calculations makes use of statistics furnished by the Canadian National Railways for the year 1925, based on a division between freight and passenger expenses following formulae approved by the Interstate Commerce Commission, while Mr. Mallory calculates upon the ascertained operating statistics of the year 1926.

The opposing figures arrived at by Mr. Mallory as out-of-pocket costs are

\$7.52, per ton, including 26 cents per ton wage increase, as against Mr. Oliver's

\$6.08.

The substantial dispute between them arises from costs assigned to Maintenance of Way and Structures, and Maintenance of Equipment, which in Mr. Mallory's computation work out to a figure of \$4.09 per ton; while Mr. Oliver ascribes only \$2.74 to those heads.

The first item of expenditure above alluded to, namely, maintenance of way and structures, is divided into over thirty separate accounts. It is put forward that many of these items of subdivision are not affected by the volume of traffic passing over the road. In a cost study directed to out-of-pocket expenses incurred in a given movement, only such as are affected by user need be given attention. Those which are "constant" so-called, and not affected by the volume of traffic, do not influence the result, here sought.

In the science of railway accounting, formulæ have been worked out, and are now in current use, by which the primary expenses involved in each major account have been analyzed and their incidence properly classified. A careful investigation into the maintenance of way and structures expense of railways has been made by the American Engineering Association and has resulted in setting up what is known as the Yager formula, which is commonly accepted as a proper basis of calculation in this respect, and tables issued pursuant to such formula show each major account broken down into primary accounts, and the proportion whereby each primary account is affected by user.

The formula shows that fourteen of the thirty odd individual accounts into which the whole expense of maintenance of way and structures is divided, are unaffected by use. The other items are affected in varying percentages.

In the figures presented, Mr. Oliver has eliminated the item of superintend-

ence, which under the formula is charged twenty per cent for use.

In sixteen of the several items under which, according to the formula, user must be calculated upon, Mr. Oliver has followed the percentages allotted in the formula, and figures that the full charge ascribable to the movement in question under this head should average 21.4 cents per 1,000 gross ton miles. To arrive at this result he takes as his basis a total expense of \$11,789,393.97 furnished by the Canadian National Railways as the full charges to freight service on the movement involved, on the basis of overhead and profit; and the percentages, subtracted because user is not affected by the movement, reduce such total by \$3.767,634.38, and thereby works out a resulting cost per thousand gross ton miles of 21.4 cents. The gross ton mileage made in transporting a car of coal from Edmonton to Toronto, 2,000 miles, based on a load of 36 tons and a tare weight of 18 tons, amounts to 108,108 gross ton miles, and a return empty haul on a tare weight of 18 tons amounts to 36,036 tons, giving a total of 144,144. Multiplying the last figure by 21.4 cents produces a cost of \$30.85 per car as the proportion of maintenance of way and structures expenses chargeable to each car of coal transported from Edmonton to Toronto inclusive of 100 per cent empty haul, and at 36 tons a car, he puts it at ·852 per ton.

And by the same method of calculation the movement from Drumheller to Toronto, and return, amounts to \$30.68 attributable to this maintenance of way and structures account, showing again an expense of .85 per ton.

Mr. Mallory ascribes an expense of \$1.12 under this head. He computes the number of shipping days from January 15 to July 15; the cars shipped per day; the average gross tons per car eastbound; the loaded freight car miles; the cmpty freight car miles; the total freight car miles; the revenue ton miles; the tare ton miles; and the gross ton miles including caboose mileage. His study is based upon the expenditures in 1926 on that part of the main line over which the coal will move, and combining the actual tonnage moved in 1926 with the new tonnage to be produced by the suggested movement, gives him a total of 11.289.964 tons, and a new total expense of \$6.255.881, making the new cost per gross ton thousand of 55.4 cents, being in terms of the Yager formula, 29.8 cents constant and 25.6 cents variable, or affected by user.

Mr. Mallory gets his figure thus:—

From actual results, he takes the gross ten mileage moved over this portion of the road in 1926, which is 7,001,157,000 tens, and the actual cost of maintenance of that part of the line which was \$5,157,947,12.

The above expense is by the formula, divided into constant 65.25 per cent. and variable 34.75 per cent, giving as follows:—

Constant Variable	 3,365,560 50 1,792,386 62
Total	 \$ 5,157,947 12

To move the additional coal traffic involves both additional gross ton mileage and additional costs. The added revenue gross ton mileage on the coal movement is 4,288,807, and the actual cost (1926) of moving a thousand revenue gross ton miles over this portion of the road was 73.7 cents, of which there was:—

Percentage Constant Percentage Variable	 	48·1 25·6
		73.7

Multiplying the additional revenue gross ton miles (4,288,807) by the percentage of variable cost above, namely 25.6, he gets the additional cost of \$1,097,934, being out-of-pocket cost, and arrives at an inclusive cost of \$2,375,999 by multiplying the above 4,288,807 by 55.4 new cost per revenue gross ton miles.

To this \$1,097.934 as above, representing the additional, or out-of-pocket cost, under this head, attributable to the increased movement and to the inclusive costs as well, he adds terminal expenses of \$34,729 and \$94,848, making a complete expense under this head of:—

Additional	Inclusive
\$ 1,097,934 00	\$ 2,375,999 00
34,729 00	94,848 00
\$ 1,132,663 00	\$ 2,470,847 00

which figures divided by the number of tons to be moved (1,016.272) produce the additional or out-of-pocket cost of \$1.12 per ton, and the inclusive cost of \$2.43 per ton.

Mr. Oliver admits the superiority of Mr. Mallory's method of computation, but says that the maintenance figures included in the latter's study are based upon expenditures in 1926 on the main line, and show a higher cost than is stated. He points out that the part of the line over which the coal would move shows a lower cost per ton mile than does the entire western region.

It will be noticed that the calculations of the Canadian National Railways are based on the figures for the year 1926, while Mr. Oliver has used the figures for 1925 which were given to him by the Canadian National Railways.

Apart from these different data employed by the two experts, it is to be noted that as far as Mr. Oliver is concerned his calculations on the A and B basis above explained, estimates only out-of-pocket costs, whereas Mr. Mallory adopts a two-fold calculation which he terms "additional" and "inclusive."

By his first calculation termed "additional," he assumes simply the added cost of the railway result from the movement, while by his second calculation designated "inclusive," he augments the former estimate by the addition of the coal traffic's share of the general cost, in order to assist the Board to comply with the instructions of the Order in Council.

Continuing the comparison of the two methods, it is noticed that the grouping of the major accounts is the same in both instances, namely, A—Maintenance of Way and Structures, B—Maintenance of Equipment, C—Transportation, and D—Taxes.

From Mr. Mallory's calculations for the movement which he specifies from Drumheller to Rosedale, reduced to a per ton basis, are—-

	Tota	l Cost	Cost pe	er Ton
\$ Million American	Additional	Inclusive	Additional	Inclusive
Maintenance of way and structures. Maintenance of equipment Traffic	3,019,612	\$ 2,470,847 3,150,754 283,389 3,795,497	\$ cts. 1 12 2 97	\$ cts. 2 43 3 10 0 28 3 73
Transportation. General Taxes. Wages adjustment.	87, 178 262, 634	477,344 334,167 366,402	0 08 0 26 7 52	0 47 0 33 0 36 11 70

The above figure, \$7.52, mentioned as additional, is comparable with basis

B of Mr. Oliver, namely, \$6.08.

To bring the comparison closer, Mr. Oliver's figures and those of Mr. Mallory may be placed side by side, using those of the latter as taken in basis B, and showing in terms of individual tons, as follows:—

	Mr. Mallory	Mr. Oliver
Maintenance of way and structures	. \$1 12	\$0 85
Maintenance of equipment	2 97	1 89
Transportation	. 3 09	3 28
Taxes	. 0 08	0 06
	7 26	6 08

If the wages adjustment be added to Mr. Mallory's figure of \$7.26 above, it gives \$7.52 shown in his calculation. If such should materialize, Mr. Oliver's should be raised to \$6.34 by such addition.

It is seen from the above that the difference in cost presented is involved in the two major accounts of maintenances of way and structures, and main-

tenance of equipment.

The above analysis of the two methods of dealing with the first of the above accounts leads to the conclusion that the course pursued by Mr. Mallory is the safer to follow. A difference of 27 cents per ton exists between them.

The Canadian Pacific Railway Company's figures are based upon a million ton movement, but as its cars are large, it calculates on 26,316 cars with a content of 38 tons per car and a tare of 19 tons. It estimates an approximate 50 days round trip from the mine to Toronto and return, including loading, which is put at four days, and a return westbound empty movement. It computes the number of trains necessary to haul this load, and allots the expense of each train under its system of accounting, and arrives at a cost from Lethbridge to Toronto, 1,988 miles, and Knee Hill to Toronto, 2,126 miles, thus:—

	Out of Pocket	Total or Inclusive
From	Costs	Costs
Lethbridge	\$7 60	\$16 24
Knee Hill	8 31	17 78

Included in the figure of \$7.60 and \$8.31 is an item reading, "Net Revenue Loss per ton account of replacement of U.S. coal 31." This should be at once dropped from the calculation, leaving the figures at \$7.29 and \$8 respectively. Also their itemized outlay involves two accounts as follows:—

Miscellaneous transportation items	555,887
Non revenue service costs	825, 291

In discussing the freight car mileage repairs, a theory was advanced by Mr. Oliver based on studies he had made in the United States railway statistics. Taking a freight car mile repair cost of 1.40 cents on the Canadian National, he held that the 1.40 cents would apply, on the average, to about 328 miles, and that beyond there would be a rate of .07 cents per car mile. This is based on the theory that damages to cars are much greater in terminals than in road hauls and that there is a tapering on the road hauls. On the other hand, Mr. Mallory took the position that damages to cars were greater on the road hauls. The average haul on the Canadian National in Western Canada is 596 miles. Applying the 1.40 cents per car mile to the hauld of 328 miles and of .07 cents to the item of 268 miles, which makes up the balance of the 596 mile haul, there is thus worked out an average of 1.09 cents per car mile.

The actual freight car mile repair costs on western lines amounted to \$5.684.393. The total car miles on western lines amounted to 465.220,864, and this at 1.09 cents would give a total of \$5.070,907. This is 11 per cent below the total expenses; and the allowance made per car mile by Mr. Oliver should,

therefore, be corrected by at least 11 per cent.

The figures used by Mr. Oliver were those of 1925. The Canadian National figures were those of 1926. It was contended by the railway that the 1926 figures, in addition to being the latest available, gave a fairer presentation of cost. Mr. Oliver stated he did not think that the 1926 figures would make much difference in the results arrived at. Mr. Mallory estimated there would be about 5 per cent difference. This may be applied to the figures set out in Mr. Oliver's tabular summary.

The item of Wage Adjustment, which was disputed, appears to be the one

which may reasonably be included in the total.

As already pointed out, the nature of the subject matter involved of necessity places a great deal of dependence upon the varying factor of individual judgment. Various items which are admitted to have a bearing on cost must

remain in the opinion stage.

O.C.S. (On Company's Service) material will be affected to some extent by the proposed coal movement, while this is conceded, it is contended that the effect cannot be measured exactly. In the Yager formula, the item of Superintendence is estimated as being 20 per cent, variable with use. In Mr. Oliver's computation, this factor is not taken as being applicable to the Alberta coal movement. He stated, however, in evidence (pp. 9035-36), that if a million tons were moving this would change the situation and something should be added to superintendence.

It is contended by the Canadian National that the item of freight repairs per car mile is vitally affected by the nature of the car equipment, whether wooden box cars predominate, etc. Mr. Oliver, in evidence (p. 8960), recognized that box car repairs were higher than on other freight cars. He said this was a matter of judgment, and he did not offer any opinion as to how much higher the cost was in the case of box cars. Obviously, in comparisons with freight car repair costs in the United States, the nature of the rolling stock affects the results arrived at. The effect of box car equipment is an important one on the Canadian National.

In dealing with the method of applying freight car mile repair costs, Mr. Oliver at p. 9621, while strongly upholding this method which he used, stated that the degree of difference between short and long hauls was not established, and it was also undecided as to what was the proportion properly assignable to

terminal and road haul.

In further explanation there are attached table "A" showing the Canadian National computations as well as Mr. Oliver's computations on Basis "A" and Basis "B" and table "B" a revise of Mr. Oliver's Basis "B". The reasons for the revisions are shown in the text as well as in the footnotes to table "B".

TABLE "A"

	Canadian National	Provinces	
	per ton	Basis "A"	Basis "B"
	\$ cts.	\$ cts.	\$ cts.
Maintenance of way and structures	1 12 2 97 3 09	0.852 1.690 2.654	$0.852 \\ 1.894 \\ 3.283$
. Wages adjustment	7 18 0 26		
Taxes	7 44 0 08	.058	.058
	7 52	5 · 254	6.087

TABLE "B"—Revisions as indicated	Basis "B" revised
Maintenance of way and structures	.\$\ \cdot 90 \ (a) \\ \cdot 2 \cdot 04 \ (a) \\ \cdot 000 \ (b)
Transportation	3·537 (a)
Summary	. • 058
Add wage adjustment	· 26 · 328
	\$ 7.222

Foot-Notes to Table "B"-

(a) Loading of 33.4 tons as a divisor. (a) Loading of 35.4 folds as a divisor.

(b) Included in the item of maintenance of equipment as submitted in the analysis for the Province, is the figure .902 for freight car repairs. As already pointed out, this should be increased by 11% or .099c.

(c) The additional 5% is to place the 1925 figures on a comparable basis with those of 1926. See state-

ment given above.

Total operating expense per ton, as figured by the Canadian National Railway under out-of-pocket cost is \$7.44. The item of Taxes brings this up to \$7.52. In addition to this, it claims that the following items should be included in out-of-pocket costs:

	Per ton
(a) Interest and depreciation on equipment	£0 07
(b) Loss on imported coal traffic due to displacement of Alberta product	1 37
(c) Profit on operating cost to provide all income charges and reserve	3 18

These do not, in our opinion, come within the scope of the out-of-pocket costs to which the Board's attention is directed.

There is no formula measuring the necessary and proper relation between out-of-pocket costs and operating costs. The only information which the Board has before it is that supplied by the railway. Consequently, it would appear to be justifiable to make use of the ratio between out-of-pocket, or additional cost and inclusive cost, which the railway itself presents in the figures submitted.

The grand total of "additional" cost is \$10.62 per ton as compared with \$14.82 per ton in the case of the "inclusive" cost. This is a differential of 39.5per cent. Taking the figure of \$7.22, as shown, and adding thereto 39.5 per cent. the result is \$10.07.

In connection with the element of profit, evidence was given by Mr. Oliver in regard to applying the operating ratio. This is to be applied to the "inclusive" cost (evidence Oliver, p. 9159). Reference was made to the 53 per cent return in the United States. Mr. Oliver stated it was necessary to have a 70 per cent to 75 per cent ratio. He stated that if such an operating ratio were applied to operating expenses, it would produce a rate which would yield a sufficient amount to pay the operating expenses and taxes, and yield a fair return on value. (Evid. pp. 9156-58.)

The witness stated that in the Lake Cargo Coal Rate Case in the United States, he applied a 60 per cent ratio. Generally, he said, the ratio was the only quickly available way of working out a rate which would yield a degree of profit.

The Canadian National has suggested a 70 per cent ratio. If the 70 per cent ratic were applied to the "inclusive" rate of \$10.07 in order to obtain an element of profit, the result would be \$14.38 per ton. It appears justifiable to take the operating ratio of the Canadian National for 1926, viz. $82\frac{1}{2}$ per cent. Applying this to the computed "inclusive" cost of \$10.07, the result is \$12.20 per ton.

SUMMARY

The computations submitted by the undersigned in response to the directions of the Order in Council are as follows:—

(1) Out of pocket cost	¢ 7 99 non ton
(3) "Inclusive" cost, plus the element of profit	10 07 per ton
(1) Instantion cost, plus the element of profit	12 20 per ton

(Sgd.) H. A. McKEOWN,

Chief Commissioner,

(Sgd.) S. J. McLEAN,
Assistant Chief Commissioner.

September 9, 1927.

COMMISSIONER OLIVER:

By Order in Council (P.C. 225) dated February 13, 1926, the Railway Board was instructed to hold an inquiry and report to the Government upon the cost of transportation of coal per ton in full capacity train load quantities during the period of year when the rolling stock of the railways is not mobilized for the transportation of the grain crop of Western Canada;

To the end that the Government shall be informed as nearly as may be what rate or rates per ton for the transportation by railways of coal from producing points in western Canada to consuming points in Ontario would pay the actual cost of the said movement (both exclusive and inclusive of overhead, superintendence and allowance for operating profit), respectively, (a) from an operating standpoint and eliminating the costs that would have to be incurred in any event as above mentioned; and (b) inclusive of the same.

Pursuant to orders of the Board the Canadian Pacific and Canadian National Railways submitted detailed estimates of costs of transportation of coal from Alberta points to Toronto. The Canadian Pacific statement showed separately the "Direct or out-of-pocket costs" and also the "Total or inclusive costs" of transportation from the Knee Hill and also from the Lethbridge mines. The Canadian National statement showed "Total costs," with "Additional" and "Inclusive" costs stated separately, for transportation from Drumheller to Toronto.

An estimate of "Out-of-pocket cost" of transporting coal from Drumheller and also from Edmonton over the Canadian National Railway system to Toronto was submitted jointly by the provinces of Ontario and Alberta. It was on the application of these provinces for a special rate on domestic coal that the inquiry was ordered. E. P. Mallory, Director of the Bureau of Statistics for the Canadian National Railways, S. W. J. Liddy, Chief Statistician for the Canadian Pacific Railway, and G. W. Oliver of Chicago, rate expert for

the provinces of Ontario and Alberta, gave evidence at the public hearing by the Board in regard to the statements severally submitted by them, and were subjected to cross examination by the several counsel engaged in the enquiry.

The total "Additional cost" of transporting a ton of coal from Drumheller to Toronto is given by the Canadian National Railways as \$10.62. The total "Direct or out-oi-pocket" costs of transporting a ton of coal from Knee Hill to Toronto is given by the Canadian Pacific Railway as \$8.31. The total "outof-pocket expenses" of transporting a ton of coal from Drumheller to Toronto by the ('anadian National Railway lines is estimated by the expert for the provinces of Ontario ond Alberta as \$6.08.

The Canadian Pacific calculation is based on an assumed movement of 1 000 000 tons of coal from Knee Hill to Toronto. 2,127 miles in 26.315 carloads. averaging 38 tons, and having an average tare (weight of empty car) of 19 tons. The Canadian National calculation is based on a movement from Drumheller to Toronto, 1,991 miles, of 1,016,272 tons of coal in 30,400 carloads, averaging 33.43 tons and having an average tare of 18.7 tons. The estimate of the Provincial expert is based on individual car performance, with an average 36 ton load and 18 tons tare, and is derived from information received from the railways as to 1925 operations. The statements of the railways are based on the operations of 1926. Drumheller and Knee Hill are the names of the principal stations of the Canadian National and Canadian Pacific railway systems in the same coal field. In all three estimates the cost of returning the empty cars to point of loading at Drumheller and Knee Hill respectively is included.

In order to arrive at a fair understanding of the cost estimates of the railways and the provinces it is necessary to compare them by using the figures which purport to show the transportation costs from and to the same points. As the haul from the Drumheller field (which includes Knee Hill) to Toronto is the only one in regard to which all three of the parties—that is both railways and the applicant provinces—have submitted estimates of transportation costs, it offers the best basis of comparison. The difference in length of haul to Toronto from the Drumbeller, Edmonton and Lethbridge fields is not important.

Out-of-Pocket Costs

In the Canadian Pacific Railway statement submitted to the Board the "Direct or Out-of-pocket costs" per ton from Knee Hill to Toronto are itemized as follows:-

	Cents per ton
Maintenance of way and structures	
maniferance of work engineme.	+ [] / _ /
Maintenance of locomotives.	-659
Maintenance freight train cars	1.580
I ard transportation expenses	.517
Trainmen's wages	- 523
Trusting the Francisco Magnetic	. 1
Road fuel	1.089
Water for road locomotives	.062
Lupi Cants, Supplies and engine house expenses for locomotives	.180
Train supplies and expenses.	.1"9
COMPRIOR CADEDSEC	.028
MISCELISTICOUS Transportation items.	.648
Superintendence, printing, stationery, and general.	•136
Wage rate increase.	.227
NON revenue service cost	007
Taxes, revenue, Manitoba and Saskatchewan.	.078
Net revenue loss, per ton account replacement of United States coal.	-310
the state of the states coat	
	\$8.31

The Canadian National Railways itemized the "Additional cost" per ton of the proposed coal movement as follows:--

Maintenance of way and structures—	
Road	1.081
Terminal	+034
Maintenance of equipment—	*094
Locomotive repairs.	.849
Freight car repairs.	2.122
Transportation:—	2-122
Wages of enginemen	.475
wages of trainmen	.491
Fuel.	1.035
Other locomotive supplies	-091
Train supplies and expenses.	•237
Talla expenses	-390
Other transportation expenses.	.371
wages autustinent	-258
Taxes, revenue, Manitoba and Saskatchewan	.085
Interest and depreciation on equipment	.074
Loss on imported coal traffic due to displacement by Alberta product	1.37
Profit on operating cost to provide all income charges and revenue	3.18
The state of the s	9,10
	10.62

The per ton cost of coal transportation from Drumheller to Toronto is given by the rate expert for the provinces itemized as follows:-

Maintenance of way and structures	.852
Steam learnestive veneine	
Steam locomotive repairs.	-809
Treight train tai repairs	.902
Shop machinery, work equipment, injuries to persons.	.183
lard expenses	-419
Enginemen and trainmen—wages.	.930
Fuel	1.293
Water	-083
Lubricanta aunnica and engine house arrange	
Lubricants, supplies and engine house expenses.	.210
Train supplies and expenses.	.219
Casualty expenses	-129
Casualty expenses. Taxes.	.058
Total	6.087

The list of accounts submitted by the Canadian National Railways comprises much the same items as that of the Canadian Pacific Railway, and the calculations are on the same general bases, but the grouping of the details differs in several instances.

The expert for the provinces made his calculation on a per car basis, with a view of approximating as closely as possible to the actual per ton cost of the coal to be moved, whether the volume were large or small. His grouping of accounts was mainly in accord with that of the railways, but did not include all the charges made by them. Accounting methods approved by the Interstate Commerce Commission of the United States were accepted as standard by all three experts. They were followed throughout by the rate expert of the prov-

inces, but not in all instances by the railways.

Both railways give in detail the power required to move trains over the several divisions of each system with the tonnage per train, the mileage in which pushers are required and the movement of empties westward after the coal season has closed. For the movement from Fort William east, the Canadian Pacific Railway divides the six months coal movement into two parts, winter from mid-January to mid-March, and summer from mid-March to mid-July. Heavier loading is calculated for the summer than for the winter season. From Langdon, Alberta, to Fort William the Canadian Pacific loading per train varies from 2.013 to 3.894 tons. From the mines at Knee Hill to Langdon on the main line, the load is 1,215 tons. East of Fort William the summer load ranges from 1,329 to 2,070 tons per train. The winter tonnages over the same line range from 1,095 to 1,899 tons. The Canadian National estimates an average train load of 1,926 gross tons between Drumheller and Armstrong, and 1,738 tons between 62863---9

Armstrong and Toronto. It will be noted that the Canadian Pacific Railway estimate differs from that of the Canadian National Railways in that, because of heavier loadings, fewer trains are required to remove the same volume of coal. Therefore gross train costs are proportionately less. The Canadian Pacific Railway haul from Knee Hill to Toronto is 136 miles longer than that of the Canadian National Railways from Drumheller to Toronto.

The Canadian Pacific gives the cost of coal for road fuel by districts as follows: Alberta, \$3.96 to \$3.78; Saskatchewan, \$3.78; Manitoba, \$4.12; Algoma, \$5.03; Ontario, \$5.02 per ton. The Canadian National gives the cost of coal as \$4.17 in the Western region (west of Armstrong) and \$5.05 in the Eastern region. The cost of haul from the mine is not included in these figures in

either case.

In the provincial estimate the cost of coal is placed at \$5.12 per ton west of Armstrong and \$5.55 east of Armstrong. This is the ratio of enginemen's estimates to Fuel Department's figures for the year 1925 as reported by

Canadian National Railways for that year.

In dealing with the numbers of accounts and masses of figures necessary to correctly estimate the per ton cost of a 2,000 mile movement of coal, there is room for very considerable divergence of view as to what should or should not to be considered as "out-of-pocket costs." Also as to the grouping of accounts that should be made for purposes of calculation. In the form of accounts submitted and in the evidence of their experts, it was, in my opinion, made quite clear that there was a serious misunderstanding on the part of both railways in regard to the inquiry as it had been ordered. The order was passed nearly sixteen months before the hearing of the Board began on June 7 of this year. Therefore there was ample time for full consideration of, and compliance with, its purposes.

Instead of submitting properly checked cost accounts of actual services during a stated period, as a basis of estimate and comparison for the consideration of the Board, the railways—except in the case of engine and trainmen's wages and fuel costs—submitted estimates, which generally speaking were the assessment of a proportion—arrived at by various methods of calculation—of the gross cost of each particular service employed in the coal movement, against

that movement.

I am unable to consider this course as conforming to the terms of order P.C. 225, which expressly asks for a report that would "show as nearly as

practicable the particular cost of such movement."

The order says: "There appears, however, to be good reason to believe that so far at all events as the movement of coal from producing points in Western Canada to consuming points in Ontario is concerned, the cost of the same would be very considerably reduced if this movement takes place at a time of the year when the rolling stock of the railways is not mobilized for the transportation of the grain crop of Western Canada, and it appears desirable that the cost of transportation thereof for seasonal movement as above mentioned should be ascertained." The order as above quoted, sets out plainly that the movement upon which an estimate of cost is desired is a special movement taking place under special circumstances and conditions. Therefore unless these special circumstances and conditions are considered in arriving at the estimate, the intent of the order has not been fulfilled.

An estimate of railroad costs is of necessity a very technical matter in regard to which only the accounting department of the railways themselves have information. The Board is therefore confined to a consideration of the figures submitted by the railways and by the rate expert of the provinces, in reaching

its conclusions.

The Canadian Pacific Railway statement of "out-of-pocket costs" as submitted, comprised eighteen items. In the case of twelve of these items the estimates of the two railways and of the provincial expert were not far apart. Accepting these twelve estimates for purposes of calculation and comparison, they stand as follows:—

Estimates Compared and Tentatively Accepted

Respective estimates of train movement costs in cents per ton:—

	Canadian Pacific Railway	Canadian National Railways	Ontario and Alberta
	\$ cts.	\$ cts.	\$ cts.
Trainmen's wages	0.523	0.491	
Enginemen's wages	0.481	0.475	0.93
Road fuel	1.062	1.035	1.293
Water	0.062	0.000	0.083
Lubricants, etc	0.180	0.091	0.210
Train supplies and Expenses (cost of coal doors excluded)	0.152	0.184	0.219
Yard expenses	0.515	0.390	0.419
Maintenance of work equipment	0.047	0.000	0.183
Maintenance of locomotives	0.659	0.849	0.809
Wage increases. Coal doors.	0.227	0.260	
	0.028	0.053	0.000
Taxes (Revenue)	0.078	0.080	0.058
	4.014	3.908	4.204

The foregoing estimates based on the calculation that an increased traffic of approximately 30,000 carloads distributed over a six-months' period, would require additions to the working forces at station and terminal yards and in repair shops in proportion to that increase in volume of traffic. If the inquiry were directed to the period of the year when all the railway forces are working to capacity, that method of calculation would be more nearly correct. But in this instance the inquiry is directed to the cost of increasing the traffic during the period when owing to shortage of traffic, and therefore of employment, it is necessary to reduce the working forces as much as possible. In order that there may be efficient operation, under present traffic conditions, a working force must be employed at all stations and yards affected by through traffic. While this force is increased or decreased with the rise or fall of traffic, there is a permanent establishment that cannot be dispensed with if the railway is to be operated. Clearly no part of the cost of this permanent establishment of station or yard employees is properly chargeable to the additional traffic of the suggested coal movement. But in the estimate submitted by both railways the coal movement is charged with a full share of the total annual cost, with the cost of the special movement added. For "Yard transportation expenses" the Canadian Pacific assesses 51.5 cents against the coal movement. Details of these costs are given as to wages of switch tenders and yard crews per hour; engine hours for movement; cost of fuel per hour and other yard expenses, together with salaries of additional vardmasters, clerks, checkers and call boys rendered necessary by a million-ton movement in six months.

Wage increases following upon negotiations between the railways and their several classes of employees, and chargeable to the coal movement, are estimated by the Canadian Pacific Railway at 22.7 cents per ton. The Canadian National estimate is 26 cents per ton. The difference between the two estimates is probably the amount already allowed for by the Canadian Pacific Railway in their estimate of trainmen's wages. As the several wages negotiations were not concluded at the date of the hearing by the Board, information

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as to the actual amount of the several wage increases is not in hand or available. But as wage increases necessarily become part of the transportation costs, so far as made they must ultimately be included. For purposes of calculation the estimate of the railways of wage increases may be accepted as part of the transportation cost, subject to the same considerations and limita-

tions as above mentioned in regard to station and yard expenses.

The Canadian Pacific charges 6.2 cents per ton for cost of water. This charge for water for locomotives employed in the coal movement is not based on quantity of water actually supplied or its actual cost. In the accepted system of railway accounting a percentage upon the fuel cost is assessed as cost of water. This is no doubt entirely proper in fairly apportioning the total cost to the various services, but does not relate even remotely to the out-of-pocket cost of supplying water to locomotives engaged in a particular service. In actual practice it is not conceivable that within the capacity of the means of supply there is an appreciable added cost because of water needed by the locomotives hauling up to 30,000 coal cars during six months over and above the ordinary traffic. The fuel cost of pumping the additional water must be the whole out-of-pocket cost. The Canadian National Railways includes "water" with "other locomotive supplies".

Coal door expense and taxes on earnings are two items of cost chargeable solely to the suggested coal movement. Coal doors are strong squares of rough boards necessary in the case of box cars loaded with coal to block the doorway

inside the car on each side and so protect the actual door of the car.

The Canadian Pacific states the cost of coal doors at \$1.10 for each of 26,316 cars or \$28.948, which on an estimated shipment of one million tons would be 0289 of a cent a ton. The National states the cost of doors as \$1.80 per set of three. To equip the 30,400 cars necessary to ship 1,016,272 tons of coal with coal doors would cost \$54,720 or 0538 of a cent a ton.

The provinces do not make any separate allowance for coal doors.

Both railways base their calculations regarding the coal movement on a six months period from January 15 to July 15. The Canadian Pacific estimates the time taken on the round trip including loading and unloading at fifty days. The Canadian National estimates sixty days. Coal cars would be expected to make three round trips in the coal service. Therefore the number of coal doors required should not be the number of carloads hauled but the number of cars employed, which would be one-third of the number of loads in each case. The cost of coal doors is therefore over-estimated.

As no additional equipment is proposed in connection with the special coal movement, there would be no added property taxation. But the provinces of Manitoba and Saskatchewan each levy a tax upon railway revenues. In Manitoba the cost is 2 per cent of the gross carnings, and in Saskatchewan 3 per cent. The Canadian Pacific estimate of taxes by the two provinces, based on earnings of \$9 per ton on the proposed million-ton movement is \$78,750 or .078 of a cent per ton. The National estimate is .08 of a cent per ton, practically the same. The estimate of the provinces is based on earning of \$6 per ton and is .058 of a cent per ton.

Estimates Accepted in Part

Five additional items, headed respectively "Miscellaneous Transportation," "Superintendence, Printing and Stationery," "Non-revenue Services," "Maintenance of Freight Cars." and "Maintenance of Way and Structures," appear in the Canadian Pacific Railway statement as part of the out-of-pocket cost. The Canadian National Railway statement includes "Other Transportation Expenses." This includes the same details as the "Miscellaneous Transportation Items," and

"Superintendence, Printing and Stationery" of the Canadian Pacific Railway, with a number of others besides. There is no item of "Non-revenue Services" in the Canadian National Railway statement, but it includes "Maintenance of Freight Cars" and "Maintenance of Way and Structures."

The Canadian Pacific Railway assesses 64.8 cents per ton against the coal movement under the heading "Miscellaneous Transportation Items." These items include (1) Payment of additional help for despatching trains; (2) Additions to number of station employees; (3) Additional station supplies and expenses; (4) Signal and interlocking operation; (5) Crossing protection; (6) Telegraph and telephone operation; (7) Clearing wrecks; (8) Damage to property; (9) Damage to live stock on railways; (10) Loss and damage to freight; (11) Injuries to persons. The assessment appears to be on a train mile basis. The total cost of each item of expense is divided by the total number of train miles on the system. The amount of expense per train mile is then charged against the train miles of the coal movement and the result is given as the out-of-pocket cost of these several expenses properly assessable against that movement. The order under which the coal inquiry is being held contains the following definition of its purpose:—

Such inquiry and report to show as nearly as practicable the particular cost of such movement...........(both exclusive and inclusive of overhead, superintendence, and allowance for operating profit).

It is quite clear that an assessment of a share of the total cost of the services mentioned based on the train miles necessary in the coal movement does not show the "particular cost of such movement." No evidence whatever was offered by the railways as to actual increase in the cost of the several items covered by the heading "Miscellaneous transportation items" to result from the coal movement. In regard to the first six items in the list it would seem entirely reasonable that as these services are now and must continue to be fully provided for, the business of operating an average of say four additional through trains a day each way for a six-months' period would not add appreciably to these several costs. Charging these items of account against a special service is one of the instances of departure from the methods of the Interstate Commerce Commission. Mr. Liddy, expert for the Canadian Pacific Railway, stated in his evidence that by the I.C.C. "station employees are put in as an overhead"; they would therefore be excluded from the estimate of out-of-pocket costs by the terms of the order for the inquiry.

In the Canadian National Railway statement, the most nearly corresponding item is entitled "Other Transportation Expenses." It includes the following particulars: (1) Superintendence; (2) Despatching Trains; (3) Station Employees; (4) Weighing, Inspection and Demurrage Bureau; (5) Station Supplies and Expenses; (6) Engine House Expenses—Train; (7) Signal and Interlocker Operation; (8) Crossing Protection; (9) Drawbridge Operation; (10) Stationery and Printing; (11) Other Expenses; (12) Operating Joint Tracks and Facilities—Dr.; (13) Operating Joint Tracks and Facilities—Cr.; (14) Insurance; (15) Clearing Wrecks; (16) Damage to Property; (17) Damage to Live Stock on Right of Way; (18) Loss and Damage—Freight; (19) Injuries to Persons.

It will be observed that this list specifically includes all the particulars contained in the Canadian Pacific Railway item and a number of others besides. It also includes "Superintendence, Printing and Stationery," which appear as a separate charge in the Canadian Pacific Railway list. Notwithstanding the greater numbers of items included, the Canadian National Railways' charge against the coal traffic in respect of this item is 37.1 cents per ton.

The five latter items in the lists of both the Canadian National Railways and Canadian Pacific Railway, which relate to casualties of various kinds, are

radically different in character from the preceding items, which relate only to station expenses. The cost of clearing wreeks, damage to property, loss and damage to freight and injuries to persons would be properly chargeable against the traffic which caused the losses. They are absolutely ascertainable after the event, but not before. An estimate of costs under these headings may properly be made; but in making it the damage caused by or resulting to through trainloads of coal cannot be figured on the same basis as that occurring to average traffic. A thirty-eight ton carload of coal is worth say \$133 at the mines. That is the measure of possible claim by the shipper in case it were lost by derailment or otherwise. A car of grain would be worth to the shipper anywhere from \$1,000 to \$1.800, while merchandise might run into many thousands. To charge the coal traffic with the same average costs of damage as cars containing all kinds of goods is certainly unwarranted.

The estimate of the provinces contains an item entitled "Casualty Expenses." This item assumes to provide for the costs that may be expected to be incurred because of casualties to cars, engines, or persons, and is assessed against the proposed coal movement at 12.9 cents per ton.

Under the heading "Superintendence, Stationery and Printing," the Canadian Pacific Railway makes a charge of 13.6 cents a ton against the coal movement. As already stated, the Canadian National Railways specifically includes these items in its charge for "Other Transportation Expenses" against which is charged a total of 37.1 cents per ton, as compared with the Canadian Pacific Railway charge for a shorter list of similar expenditures of 64.8 cents per ton. In view of the fact that the Canadian National Railways charge which included these items is so much less than that of the Canadian Pacific, which did not include them, it would not seem that the Canadian Pacific Railway charge 78.4 cents per ton under the two headings, "Miscellaneous Transportation Items," and "Superintendence, Station, Printing, Traffic and General," as compared with 37.1 cents per ton by the Canadian National Railways, for a longer list while including the same items, can be justified.

The item of "Non-Revenue Service Cost" appears in the Canadian Pacific Railway list as a charge of 90-7 cents a ton against the proposed coal movement. It does not appear as a separate item in the estimates submitted by the Canadian National Railways, or the provinces. The Canadian Pacific Railway expert stated that this charge included the cost (not otherwise charged) of transporting coal from the mine to the point at which it was used. As the cost at the mine of the coal to be used in the proposed movement, and the quantity as well, was given by both railways it would seem that there could have been no serious difficulty in getting a sufficiently accurate estimate of the actual cost of moving the necessary fuel required for the movement from the mine to the points of use. Instead of this being done a maze of involved calculations was submitted to the Board. While no doubt these calculations were in themselves mathematically accurate, in the result they purported to show that while the cost of the coal necessary to move the trains that would carry one million tons from Knee Hill to Toronto, and return them empty to Knee Hill, would be \$1.06\frac{1}{2} per ton of coal moved, the cost of hauling from the mine the coal used as fuel in moving these trains, plus the small amount necessarily used in the various yards, would be \$0.907 cents for each ton of coal moved, or only 151 cents per ton less than the first cost of the coal used. Under the accepted system of railway accounting the movement of fuel coal is an overhead charge. It is in the same class as the transfer movement of passenger cars, gravel for road ballast, and railway material of all kinds. It is charged as O.C.S., "On Company's Service."

In the estimate of the provinces the fuel cost is given as at the point of use—that is, including the O.C.S. cost—as \$1.293 per ton of coal moved. The Canadian Pacific Railway fuel charge is \$1.062 giving the cost of coal at the mine. As the calculations of the provincial expert were based on figures given him by the Canadian National Railways, and as his estimate was the cost at point of use, it would seem to be fair to allow the Canadian Pacific Railway the difference between their cost at the mine and his cost in the tender as the proper O.C.S. charge in respect of the necessary fuel haulage. This would reduce the Canadian Pacific Railway charge of 90.7 cents a ton for "Non-Revenue Service Cost" to 23.1 cents a ton.

The Canadian National Railway does not list an item of "Non-Revenue Service Cost" against the coal movement presumably because the proper propertion is included in other costs assessed against that movement.

Maintenance of freight cars to be used in the coal movement is charged by the Canadian Pacific Railway at 158 cents, by the Canadian National Railways

at 212.2 cents, and by Ontario and Alberta at 90.2 cents per ton.

It will be observed that the difference in estimate of cost of maintenance of freight cars between the two railway systems and between them and the provinces is greater than in the case of any other cost item. The Canadian National Railway's figure is 56.2 cents per ton above that of the Canadian Pacific Railway, and \$1.22 per ton above that of the provinces.

The only charge proper to be made against the coal movement in respect of freight cars under the terms of the enquiry is the cost of repairing damage suffered while engaged in moving coal eastward or in being returned empty westward. Neither the statements submitted by the railways nor the evidence of their experts purported to give an estimate of the actual cost of repairs to be made because of damage which might reasonably be expected to be so suffered. It is the business of a railway to keep its rolling stock in a state of efficiency and therefore it must be reconditioned from time to time so far as that is economically advisable. The costs that have been incurred in reconditioning freight cars is included in their estimated costs by both systems. There is no means of finding how much of the total cost is actual repairs and how much is cost of reconditioning; but there is no doubt that the greater amount of reconditioning necessary because of the age and service of a large part of its equipment handed over by the former owners to the National, is the chief reason for the difference in car maintenance cost as between the Canadian Pacific Railway and the Canadian National Railway.

In cross examination the Canadian National Railway expert said that the National System had more wooden frame box cars than all the class 1 railroads in the United States put together. He stated further, on page 9460 of the evidence, that owing to "certain regulations imposed by the American Railway Association governing the interchange of cars between railroads and in connection with safety appliance standards, the draft gear on box cars, in fact all kinds of cars, have to be up to a certain standard." He said: "We still have a certain number of cars that have to be adjusted to conform to those standards, which come into effect some time late next year or early in the year following." He stated that 28,127 wooden box cars had already been equipped with metal draft arms, and that 6,000 still remained to be equipped within the time limit of about a year and a half. He further said that in the assignment of all freight car repairs he distributed the cost of such repairs on a car mile basis irrespective of the distance of the haul, or variance in distance of haul. This evidence would seem to establish beyond question that the cost basis of freight car repairs taken by the Canadian National Railway includes so much more than actual wear and tear, loss or damage likely to be suffered by freight

cars in the proposed special coal movement, that in fact the estimate does not conform even remotely to the conditions expressed in the Order for the inquiry,

and, therefore, cannot properly be accepted by the Board.

The Canadian Pacific Railway estimate of "Maintenance Expenses of Freight Cars" is on the same basis as that of the Canadian National Railway. The total cost assigned to maintenance and repairs of freight cars is divided by the number of freight car miles travelled throughout the system. The coal movement is charged with the proportion of the total cost that its mileage bears to the total freight car mileage. Clearly that method of calculation does not conform to the terms of the Order for the enquiry, and leaves the Board without the means of arriving at the actual out-of-pocket cost for the special coal movement. The order does not ask for the average cost of car repairs throughout the system. It asks for a finding of the actual cost of a long haul movement in train load quantities, chiefly during the summer season, of a class of freight of very low first cost and of minimum liability either to give or receive damage.

It was argued strongly by the expert for the provinces that freight cars were more subject to damage when engaged in short haul than in long haul work, and that damage was less likely to occur when empty than when loaded. As the coal movement would be in through trains on a two thousand mile haul, there would be a minimum of shunting, which he held was a very important, if not the chief, cause of damage to freight cars; also, that, as half the movement would be returning empty, the probability of damage would be still further reduced. This view was not accepted by the experts of the railways; but the fact remains that it is a definite principle of railroading that the longer the haul the lower the per mile rate. It is not conceivable that this principle would be so fully accepted if there were not some substantial operating advantage in the long haul; to which the enquiry was specifically directed. The fuel, wage, and maintenance of way costs per mile do not decrease as length of haul increases. Therefore the saving in cost on the long haul must be in other expenses, of which freight car repairs is by far the greatest.

Box cars carrying coal do not need to be kept in the perfect interior condition that is necessary in the case of the grain traffic. That is, a car that might be absolutely unfitted for use in hauling wheat might be prefectly good for hauling coal. In view of the class of traffic and the conditions under which it would move, it is obvious that repair costs of freight cars engaged in the coal movement could not possibly be equal to the average on the system. The expert for the provinces assigned 90-2 cents per ton as the fair cost of freight car repairs in the coal movement. As the estimates of the railways are obviously not on a basis that is in accord with the terms of the order for the inquiry it seems to me that the estimate of the expert for the provinces may fairly be

accepted as the nearest approximation to the fact.

To the account "Maintenance of Way and Structures" the Canadian Pacific Railway charges 70.2 cents, the Canadian National Railway 111 cents, and the provinces 85.2 cents per ton. This amount covers cost of keeping roadway, track, bridges and buildings in good condition for service. Costs of conditioning, improving, extending or enlarging are also included. While a share of the cost of maintenance proportioned to actual wear and tear caused by the passage of say 100 loaded and 100 empty trains a month for a six-moths' period is properly chargeable against the proposed coal traffic, it is quite clear that costs which provide for a reconditioning, improving, extending or enlarging—and which might be properly chargeable against the coal movement if it were being considered as a part of the general traffic—are not properly chargeable against it as out-of-pocket costs when it is being treated as special traffic.

Owing to the constantly increasing weight of locomotives and railway cars, both freight and passenger, there is an extra burden of cost for reconditioning of track and road bed laid upon the railways. This cannot fairly be charged as maintenance of way costs against the coal traffic, as these expenditures would have to be made whether there was coal traffic or not.

The details submitted by the railways do not show to what extent the costs of reconditioning, extending, enlarging, or improving are included in their estimate. Therefore, sufficient information is not available from them to the Board to warrant a definite conclusion as to what the charge under that heading should

properly be.

The expert acting for the provinces of Ontario and Alberta offers the basis of calculation of costs of wear and tear from use contained in the 1923 report of the American Railway Engineering Association as a suitable method of arriving at the share of the total cost of maintenance of way and structures proper to be assigned to actual use by the proposed coal movement. In view of the fact that it is the policy of both systems to improve the condition of their respective roads as thoroughly and as rapidly as may be found practicable, it is not possible to accept in full the figures of the Canadian National Railway—so largely in excess of those of the Canadian Pacific Railway—as being properly chargeable to out-of-pockets costs of the coal movement.

As the estimate of the expert of the provinces is above that of the Canadian Pacific Railway and below that of the Canadian National Railway, it would seem reasonable to accept his figures as a fair estimate of the out-of-pocket

cost of road maintenance properly chargeable to the coal movement.

For the reasons above given the foreging five items of the estimates submitted by the railways in my opinion cannot, in accordance with the terms of the order for the inquiry, be accepted in full. They are as follows:—

	C.P.R.	C.N.R.	O. & A.
1. Miscellaneous transport items		37.1	$12 \cdot 9$
2. Superintendence, printing, etc	$13 \cdot 6$	00	00
3. Non Revenue service		00	00
4. Maintenance freight cars		$2 \cdot 12 \cdot 2$	$90 \cdot 2$
5. Maintenance of way and structures	$70 \cdot 2$	1.11	$85 \cdot 2$
	3.97.3	3.60.3	1.88.3

In respect of No. 1 of these items, in my opinion it would be proper to allow the Canadian National Railways estimate of 37.1 cents which covers items Nos. 1 and 2 of the Canadian Pacific Railway estimate. In the case of No. 3 I would substitute for the Canadian Pacific Railway estimate—there being no corresponding Canadian National Railways estimate—the amount of the difference between the coal cost as given at the mine by the Canadian Pacific Railway, and in the tender of the locomotive as given by the expert of the provinces, 23.1 cents a ton. In the case of Nos. 3 and 4 I would accept the estimate of the expert of the provinces as conforming most nearly to the terms of the inquiry as ordered.

If the railway estimates of these five items were amended as suggested they

would stand as follows:-

Miscellaneous transport items. Superintendence, printing, etc. Non revenue service. Maintenance freight cars. Maintenance of way and structures.	$00 \\ 23 \cdot 1 \\ 90 \cdot 2$	C.N.R. 37·1 00 00 90·2 85·2	O. & A. 12·9 00 00 90·2 85·2
Total of cost items as tentatively accepted	2·35·6 4·01·4	$2 \cdot 12 \cdot 5 \\ 3 \cdot 90 \cdot 7$	1.88·3 4.20·4
Total out of pocket cost	6.37.0	6 03.2	6 08.7

Estimates Not Accepted

The Canadian National Railways estimate contains an item of 7 cents a ton for "Interest and Depreciation on Equipment". As no additional equipment is required in the proposed coal movement it is not apparent that this tem can be properly chargeable. Interest accrues without regard to use, and the same is true of depreciation by lapse of time. As repairs and renewals are amply provided for in the items for repairs and maintenance it does not appear that the claim for a further allowance for interest and depreciation as an out-of-pocket cost against the proposed coal movement can be successfully supported. No corresponding item appears in the estimate of out-of-pocket costs of the Canadian Pacific Railway or of that of the provinces.

The Canadian National Railways estimate of "Additional Costs" to the railway of the proposed coal movement concludes with an item "Profit on Operating Cost to Provide all Income Charges and Reserve, \$3.18 per ton". While this might be a proper charge against any movement considered as a part of the general tariff of the system, it was not made clear during the hearing upon what ground it was charged as an out-of-pocket cost against the special coal movement which was the subject of the inquiry. I am of opinion that it should not be considered in connection with a finding as to out-of-pocket costs.

The Canadian Pacific Railway statement contains an item: "Net Revenue Loss per Ton Account Replacement of United States Coal, 31 cents per ton". The Canadian National Railways has a corresponding item: "Loss on Imported Ceal Traffic due to Displacement by Alberta Product, \$1.37 cents a ton".

It was stated by the Canadian Pacific Railway expert that the railway earned an average of 98 cents a ton on its haul of United States anthracite to Ontario points, that the rate per ton per mile was 1.12 cents, and that the average profit on the haul of each ton was 31 cents, which was 10 per cent above the average net profit per ton on the freight traffic of the system.

It was stated by the Canadian National Railways expert that the earning of that system on United States anthracite was \$1.58 per ton. The average haul was 136.63 miles. The average haul on Alberta coal distributed from Toronto would be 93.02 miles. The gross loss of earnings on the displacement of 1.016.272 tons of United States coal would be \$1,609,775, which would be reduced to \$1.388.080 by the saving because of the shorter distribution haul of Alberta coal. No estimate was given of the profit to the railway on the present earning of \$1.58 per ton on United States coal. Obviously these figures have no relation to the cost of transporting coal from Alberta to Ontario, and do not even purport to show the net loss to the railway from transporting Alberta instead of United States coal.

It was not made clear by what process of reasoning the railways arrived at the conclusion that the displacement of United States anthracite in Ontario by Alberta domestic coal became part of the out-of-pocket costs of transporting Alberta coal to Ontario. While it is a matter entirely proper for the consideration of the railways themselves, it does not seem to me to have any part in the inquiry as ordered. If the railways in opposing the application of the provinces for such reductions in the coal rate from Alberta as would enable coal to be moved, are entitled to set up the possible results of the partial or total exclusion of United States coal resulting from the movement, the interested provinces would seem to be as fully entitled to set up the increased disbursements to Canadian railway employees that would follow the movement; the general benefit to Canada in improvement of her balance of trade; the employment of additional miners in Canada, with greater wage disbursements and consequently increased purchasing power tending to improve the traffic of the railways themselves in its most desirable features. But the inquiry was directed

to matters of fact only, while these—together with the question of loss to the railways from the exclusion of United States anthracite—can only be matters of argument so far as the inquiry was concerned.

For the reasons given I am unable to accept as proper subjects for consideration in this inquiry the estimates submitted by the railways as follows:—

1. Interest and Depreciation on Equipment (7 cents per ton) by Canadian National Railways only;

2. "Profit on Operating Cost to Provide all Income Charges and Reserve

(\$3.18) by Canadian National Railways only, and

3. "Loss on Imported Coal Traffic due to Displacement by Alberta Product," 31 cents by Canadian Pacific Railway and \$1.37 by Canadian National Railways.

RECOMMENDATION

The order for the inquiry asked for a report on the cost of transporting coal from Alberta mines to Ontario consuming points. The estimates submitted by the railways and by the experts of the provinces only dealt with costs of transportation from the mines to Toronto. There were no estimates of the cost of distribution to other points. Toronto is of necessity the chief point of distribution for what may be called southwestern Ontario, as Ottawa would be for southeastern Ontario. The haul to Ottawa would be approximately 40 miles longer than to Toronto. In northern Ontario there are a number of important consuming points situated on the lines of one or other, or both, of the two railway systems, and therefore available to be served by a haul from the mines much shorter than that to Toronto or Ottawa. Sudbury on the Canadian Pacific Railway is 260 miles nearer the mines than Toronto; North Bay on both roads is nearly 200; Cobalt, Haileybury, and New Liskeard on the Temiskaming and Northern Ontario are nearly 300, and Cochrane on the Canadian National Railway is 440 miles nearer the mines than Toronto. There are a number of other important consuming points in northern Ontario at approximately similar distances from the mines.

It was suggested on the part of the provinces that a blanket rate should be fixed covering the several groups of Alberta mines which produce domestic coal, and all consuming points throughout Ontario. Such a rate would mean that Cochrane, Sudbury and similarly situated points, notwithstanding their much shorter haul, would pay the same rate as Toronto and Ottawa, while those cities would pay the same rate as more distant points throughout southern Ontario.

As the demand for coal at points beyond Toronto or Ottawa in the more densely populated part of Ontario must of necessity be greater than that in the shorter haul territory of Northern Ontario, the blanket rate would properly be higher than the minimum Toronto rate. No suggestion was offered as to what the proposed blanket rate should be. Assuming that it is desirable to apply such a rate, the Board lacks direct evidence on which to base a finding. But, in support of the claim made by the Canadian Pacific Railway in respect of loss on United States coal that might be displaced by the proposed movement, it was stated that their average carnings on coal hauled from the United States boundary to points throughout Ontario was 98 cents a ton, of which 31 cents was profit. In default of means of finding what proportion of the remaining 67 cents of earnings was out-of-pocket costs and how much overhead, for purposes of calculation an equal division might be made. If 34 cents a ton paid the out-of-pocket costs of distributing United States coal from points on the boundary throughout Ontario, it should equally pay the like costs on Alberta coal distributed from Toronto and Ottawa. In the summing up herein of admitted out-of-pocket costs the Canadian Pacific Railway rate from Knee

Hill to Toronto is placed at \$6.37 per ton; which for the actual haul of 2.127 miles is equal to a shade under 30 cents a ton per 100 miles. The Canadian National Realway Rate from Drumheller to Toronto is placed at \$6.03 a ton. The average of the rates of the two systems, therefore, would be \$6.20. Adding 30 cents a ton for the additional haul necessary to reach all Ontario points, Nipigon, Nakina and easterly - would give a blanket rate of \$6.50 a ton. This rate should in my opinion also cover points in Quebec within 100 rail miles from Ottawa; and also points on the National Transcontinental and branches in northern Ouebec eastward to, and including, La Tuque.

As Montreal, the principal coal consuming point in the province of Quebec, is a very short distance beyond the suggested range of distribution from Ottawa under the blanket rate, and as Quebec city, the second greatest coal consuming point in the province, is no further by rail from the coal mines than Montreal, an additional 25 cents a ton might in my opinion be made to cover that part of the province of Quebec not covered by the \$6.50 rate, to extend as far eastward

as, and including, Levis and Diamond Junction.

REGARDING INCLUSIVE COSTS

By the terms of Order in Council (P.C. 225), the Board was directed to find the actual cost of the proposed coal movement both exclusive and inclusive of overhead, superintendance, and allowance for operating profit; (a) eliminating the costs that would have to be incurred in any event, and (b) inclusive of the same.

In their estimate, as submitted, the Canadian Pacific Railway placed their "inclusive" costs at \$17.78 cents a ton. The Canadian National Railway placed theirs at \$14.82. The difference of estimate between the two railways is so wide that they cannot in themselves lead to any clear conclusion. The expert who appeared for the Applicant Provinces was able to render a measure of useful service to the Board in checking the railway estimates; but his attention had been centred on the question of out-of-pocket costs to such an extent that he was unable to give consideration to the figures of inclusive costs submitted by the railways.

The fact that no coal moves from Alberta mines to Southern Ontario points under the present rate of \$12.70 a ton would seem to leave even the lower figures of "inclusive" costs as estimated by the Canadian National Railway without practical value in relation to any possible coal movement from Alberta to

Ontario.

The out-of-pocket cost of a special movement under specially favourable conditions must be less than the corresponding cost of an ordinary freight movement of equal value under ordinary conditions. It does not appear, however, that in the case of the coal estimates any allowance was made for the specially havourable conditions under which the movement would take place. dian Pacific Railway estimated that the "out-of-pocket" and "inclusive costs" were the same in (1) Engine and Trainmen's Wages; (2) Road Fuel; (3) Water; (4) Train Supplies and Expenses: (5) Coal Door Expense, and (6) Revenue Taxes, a total of \$2.38 a ton. In (1) Maintenance of Work Equipment, (2) Yerd Transportation Expenses, and (3) Lubricants, Supplies and Engine House Expenses for Locomotives the total out-of-pocket costs was placed at 76.8 cents a ton and the inclusive costs at 81.6 cents. On a total out-of-pocket cost of \$3.14 per ton covering nine items which included all the principal direct transportation expenses, except freight car repairs, the inclusive cost was only 4.8 cents a ton greater. So far as these nine items of cost are concerned it must be considered to be established that there was no special reduction in the figures because of the special conditions that would surround the coal movement and

therefore it may fairly be assumed that there was no reduction in the other figures submitted for that or any other reason. It must also be assumed that should a coal movement be established as a special traffic and should it increase so that it became a part of the general business of the railways, the estimate of cost of the nine items mentioned would not thereby be increased.

The remaining items of the Canadian Pacific Railway statement directly connected with transportation are:—

	Out of pocket	Inclusive
Maintenance of locomotives	\$ 659,546	\$ 803,256
Maintenance of freight cars	1 580 805	1,859,634
Maintenance of way and structures	702.167	2,006,190
Miscellaneous	648 800	879,825
Superintendence, printing, etc	136,935	891,861
Non revenue service	907. 290	1,279,515
Wage increases	227, 272	320, 513
	\$4,862,851	\$8,840,794

In the case of Maintenance of Locomotives, Maintenance of Way and Structures, and Wage Increases the out-of-pocket costs given above have been tentatively accepted in the calculation herein made, but exception was taken to the estimate of out-of-pocket costs in the other four items, for reasons already given. Further consideration of these particular inclusive cost figures would not seem to be likely to lead to conclusions of serious value without more detailed information than is at present available as to the complete basis upon which they are founded.

Inclusive Costs are Not Always Earned

While there are wide differences between out-of-pocket costs of transportation and maintenance, and overhead costs including superintendence, there is no sharp dividing line between, which enables them to be separated with absolute uniformity. Regarding a considerable portion of railway expenditure it must always be a matter of policy as to what items of cost shall be charged to each service. Superintendence and all forms of overhead, including bond interest, must be paid for as well as out-of-pocket cost before there can be any net return. If railway rate making were a mere matter of dividing the gross cost including superintendence, maintenance, interest and all other factors of overhead amongst the number of tons carried or expected to be carried per mile it would be a very simple matter. The fact is, however, that railway rates are not and cannot be calculated in that way.

The difference in value of any commodity at two separated points is the reason for its movement from one point to the other. If the cost of moving is greater than the difference in value, the commodity cannot and does not move. On articles of manufacture in producing which skilled labour forms a large part of the cost the difference in value between the points of production and consumption is usually very considerable, and a comparatively high transportation rate can be paid. On the other hand, the raw materials upon which skilled labour is employed and the food, fuel and other prime human necessities required by that labour are of comparatively low initial values in proportion to tonnage; and the lower their cost when they reach the point of consumption the better the opportunity that is offered for the successful employment of skilled labour. If the railroads charged the same rates on hides and wool or on flour and coal as are willingly paid on boots and blankets the hides and wool would have cost too much to be made into boots and blankets, there would be no workers to buy and use flour and coal, and consequently no traffic for the railway. Therefore railway rates are not and cannot be based on a uniform per ton per mile cost, In fixing the rate to be charged for transporting any particular commodity

between any two points there must always be a question of judgment, first, as to what are the out-of-pocket costs to be covered, and, second, how much of the overhead, that is, superintendence, maintenance, general expenses, etc., should be covered by that particular traffic over and above the out-of-pocket costs. If a certain traffic can pay more than its per ton share of the gross overhead it may fairly be required to do so. On the other hand, if a certain movement is for good and sufficient reasons desirable the fact that the rate which will allow it to be moved is not sufficient to bear its full per ton share of the gross overhead does not debar such a rate from being installed. This is the principle upon which railway freight rates are classified and numbered from one to ten. It is the chief reason why certain commodities pay double the first-class rate while other articles are carried at what is called a "commodity rate" which may be less than that of the lowest or 10th class. Tenth class freight pays approximately one-quarter as much per ton for a haul of the same mileage as first class, and 5th class approximately half as much.

In the course of the General Rates Enquiry it was stated by Mr. Watson in his evidence for both the Canadian National Railways and Canadian Pacific Railway that the through rates on numerous commodities from Montreal to Vancouver were only expected to pay part of the gross overhead. During the same enquiry Mr. Mallory for the Canadian National Railways gave figures showing that lumber was hauled from Vancouver to Montreal at a rate per ton considerably below the gross per mile cost. During both the General Rates Enquiry and the Coal Enquiry it was stated by witnesses for the Canadian Pacific Railway and reaffirmed by the solicitor appearing for the company, that the passenger and allied services of that system did not pay any part of the net revenue. No figures were available to show whether these services did or did not in fact earn their per ton per mile share of the gross cost. During the General Rates Enquiry Mr. Mallory, director of statistics for the Canadian National Railways, at page 4207, volume 501 of the record, said that in the year 1925 the passenger, sleeper, diner, mail, express, baggage and milk services of that system had shown a loss over eight million dollars. That is, they had earned eight millions less than their per ton per mile share of the gross cost. The fact that the through rates Montreal to Vancouver or Vancouver to Montreal, or that the passenger and allied services on both systems do not earn their equal per ton per mile share of the gross cost of operation and up-keep of the system is not held to be a reason why they should be discontinued. On the contrary the fact that their surplus earnings over net cost of operation help to pay the cost of supervision maintenance and overhead generally, is a good reason why they should be efficiently maintained in the public service which they render; always with the view of increasing the proportion of their contribution to overhead charges, as that becomes economically practicable. It would not better the financial position of either railway system if its passenger services were allowed to be seriously reduced in efficiency with a view of making that service carry its full share of the overhead, for that would be the surest way to reduce earnings and make the financial position worse. Or, on the other hand, if the charges were increased so that the services now rendered could, or would, not be as fully used as at present the earnings would thereby be reduced, and the losses correspondingly increased.

The capital investment in the railroads and their equipment has been made. It is considered better to have that equipment fully employed in productive and constructive traffic even at rates that do not in themselves show a profit, rather than let it be idle or partly idle because of lack of productive traffic that cannot move because the rate will not permit.

EARNINGS ON GROSS INVESTMENT

The Canadian Pacific Railway estimates of "Inclusive Costs" in respect of the movement of one million tons of coal from Knee Hill to Toronto is \$11,281,276 or \$11.28 per ton. To this "inclusive" cost the following is added:—

 Profit—Actual Revenue Basis (46·69 per cent)...
 \$5,267,228

 Profit—Fair Return Additional (10·93 per cent)...
 1,233,043

The accompanying explanation is as follows:—

If it be assumed that passenger traffic just pays its way, and that the net earnings are 100 per cent attributable to freight, it follows that since in 1926 the freight earnings were \$141,205,619 and the net earnings \$44,945,127 that an allowance to the total costs of 46.69 per cent must be made to provide an earning equivalent to the average received from all traffic. For the year 1926 the company produced but 4.660 per cent rate of return on investment. If the rate of return of $5\frac{3}{4}$ as adjudged fair in the United States be taken in calculating the allowance for profit, an additional allowance of 10.93 per cent to cost is necessary.

Whether the term "operating profit" used in the order for the enquiry can be considered as referring only to the \$11.28 per ton given as the "inclusive costs" without any special allowance for profit, or to the \$17.78 which is the rate the coal traffic would have to bear if the stated objective of the company as to profit is to be realized, there is no question as to the definite assertion of a claim as of right to a rate that will give $5\frac{3}{4}$ per cent profit on the company's gross investment—that is, on the total value of the company's property.

Foundation for this claim is sought in the action of the United States Interstate Commerce Commission in setting up 5\frac{3}{4} per cent as the standard limiting the profits of United States railways. In regard to the application of this standard to Canadian railways I desire to express the opinion, first, that railroad conditions in Canada both as to financing and system of operation differ so radically from those in the United States that an effective comparison cannot be made; second, that so far as has been established, no railroad in the United States has yet earned that measure of profit; and third, that the rate of profit, as stated, was to be based on an independent valuation of the property of the railways that has not yet been, and in all probability never will be made.

As to the latter point: Five and three quarters per cent is substantially above the present day value of money. The net earnings of a railway are what give its value to the property. If the net earnings are above normal the value of the investment will be correspondingly above normal. Under those circumstances obviously investment value will increase as net earnings increase and no matter how much the net carnings are increased they can never overtake the investment value on a $5\frac{3}{4}$ per cent basis. Clearly if the standard of profits set by the Interstate Commerce Commission is to mean anything in the regulation of rates—as has been assumed—its valuation of the property on which the railways are to be permitted to earn up to $5\frac{3}{4}$ per cent interest cannot be based on earnings. Some other basis must be arbitrarily arrived at. This has not yet been done. Until it has been done the reference of the United States Interstate Commerce Commission to $5\frac{3}{4}$ per cent earning offers no foundation for the suggestion that Canadian railways should be permitted to earn $5\frac{3}{4}$ per cent on their own valuation of their own property.

The rates necessary to produce any fixed return on the investment value of a railway must depend in large measure upon what properties or classes of property are considered railway investment within the meaning of the order which assumes to set up a percentage limit of earnings. On the same subject during the general rates inquiry the solicitor for the railway argued that whatever was the fair value of the property owned by the company of whatever kind or however acquired was the amount upon which it was entitled to earn the ideal $5\frac{3}{4}$ per cent profit. That is, that the company was entitled to earn its

profit on property, whether land, money or completed railway, that it had received as bonus, and as well upon the increase in value that for convenience is called "uncarned increment," together with the surplus of earnings over operating costs and dividends paid, that had been "ploughed back into capital." In the general rates inquiry the total book value of the property of the Canadian Pacific Railway was placed at over 900 million dollars, but Mr. Lloyd who gave evidence as the financial expert of the company stated that he estimated the actual value at \$1.500.000. In other words that the "uncarned increment" not shown by the books amounted to two-thirds more than the book value. As considerable amounts of "uncarned increment" are included in the book values upon which the company claims the right to earn $5\frac{3}{4}$ per cent there seems to be no logical reason why on the same principle from time to time the book values might not fairly be increased to take in a part, or the whole, of the 600 millions of stated values not now shown in the books, as the sum upon which the company would be entitled to earn a return of $5\frac{3}{4}$ per cent.

In discussion on this point during the general rates inquiry it was pointed out on behalf of the railway that the surplus carnings "ploughed back into capital," were absolutely the property of the company, to be disposed of at its discretion, and that the company might have distributed these surpluses in dividends had they seen fit. Having turned the money back into the company it was no less their property, and therefore they were entitled to earn dividends on it. All this will be freely admitted. There must of course be general commendation for the course of the company in using its surpluses in building up its property instead of increasing the dividends to its shareholders beyond a reasonable return on their money. If the railway were a private business enterprise it would be free to make its choice as to the disposition of its surplus carnings. But it is a public utility, financed in considerable measure from the public funds, and subject to public control as to its rates and in other matters. Had the surplus earnings of the past been distributed in dividends to shareholders there would have been insistent demands for rate reductions that could not have been ignored. That the value of the company's property is so much greater than the total investment in its bonds and stocks does not appear to me to be a sound argument in support of such rates as will give a return of 53 per cent as contended by the company, whether on the gross valuation as shown in the books or on a still greater estimated value.

Financial Importance of Coal Movement

Canada imported from the United States in 1926 2.584,000 tons of anthraciate at a cost of \$20.852,000, if the figures of the Canada Year Book are correct. The cost at point of purchase was roughly \$8 a ton. To this must be added the average cost of transportation to the Canadian boundary. Of the total amount of anthracite imported from the United States not less than two million tons

found its market in Southern Ontario and in the city of Montreal.

Alberta has coal in unlimited quantity and of a quality particularly well suited for the domestic needs that are now supplied by anthracite. No coal moves, or can move, from Alberta to Ontario to compete with United States anthracite at present rail rates. The railroads agree that they have equipment now idle during six months of every year to enable each to haul a million tons of coal from Alberta to Ontario within the six months period. Assuming that Montreal and Southern Ontario take two million tons of United States anthracite a year and that the Canadian railroads get an average of \$1.50 per ton for hauling it, their total earning is \$3,000,000. Canadians of Southern Ontario and Montreal pay to United States miners 16 million dollars for 2 million tons of anthracite coal, plus the cost of haul to the boundary, and then pay Canadian roalroads, say, 3 million dollars for distributing it.

At an average f.o.b. cost at the mine in Alberta of say \$3.50 per ton with a rail rate of \$6.50 there would a distribution of \$20,000,000 of Canadian money

amongst Canadians for the same service.

Having the necessary equipment on hand to move the coal, the railways could not fail to benefit both directly and indirectly from the movement even though the rate did not pay the per ton per mile share of overhead of either of the two systems. There would seem to be at least as good reason for hauling domestic coal from Alberta to Ontario at a rate that would yield less than "inclusive" costs, as there is for hauling passenger, express and mail trains over the same tracks under similar conditions.

While the importation of anthracite coal from the United States was less in 1926 than in 1925 by $1\frac{1}{4}$ million tons, the importation of bituminous increased by over 13 million tons in the same period. How far this indicates that bituminous has replaced anthracite for domestic use in Canada does not appear from the records, but there can be no doubt that there has been considerable

such replacement.

It does not appear likely that coal from Alberta can ever compete with United States bituminous in the Central provinces for industrial use because of the low cost of mining in the United States and the short rail haul to those provinces. The high cost of mining anthracite and the diminishing supply are the conditions that create the possibility of developing a traffic in domestic coal between Alberta and Ontario. Although Alberta domestic coal is lower in heat units and therefore in theoretical per ton value than anthracite, the absence of soot and low percentage of smoke which occur in its consumption put it in a different class from bituminous and constitute it a competitor with anthracite for household use.

IN RE GENERAL FREIGHT RATES INVESTIGATION—ORDER IN COUNCIL P.C. 886, DATED JUNE 5, 1925

ludgment of Chief Commissioner, dated August 4, 1927; Judgment of Assistant Chief Commissioner, dated August 29, 1927; Judgment of Deputy Chief Commissioner, dated September 1, 1927; Judgment of Mr. Commissioner Boyce, dated September 10, 1927; Judgment of Mr. Commissioner Lawrence, dated September 10, 1927; Judgment of Mr. Commissioner Oliver, dated August 22, 1927; and report of Chief Traffic Officer of the Board, dated September 12, 1927.

BEFORE:

Hon. H. A. McKeown, K.C., Chief Commissioner; S. J. McLean, Assistant Chief Commissioner; THOMAS VIEN, K.C., Deputy Chief Commissioner; A. C. BOYCE, K.C., CALVIN LAWRENCE, Commissioners.

HON. FRANK OLIVER,

W. E. CAMPBELL, Chief Traffic Officer.

G. G. McGeer, K.C., for the province of British Columbia.

S. B. Woods, K.C., for the province of Alberta. W. H. McEwen, for the province of Saskatchewan.

H. J. Symington, K.C., for the province of Manitoba.

J. R. L. STARR, K.C., for the province of Ontario. A. W. Rogers,

L. A. Cannon, K.C., for the province of Quebec.

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Hon. J. L. RALSTON, K.C., for the Maritime Provinces. H. P. DUCHEMIN, K.C., E. P. FLINTOFT, for the Canadian Pacific Railway Company.

for the Canadian National Railways.

The following among other Associations and Boards of Trade were represented at various sittings of the Board or submitted their representations in writing:-

New Westminster Board of Trade.
Prince Rupert Board of Trade.
Victoria Chamber of Commerce.
Chilliwack & District Board of Trade.
Kamloops Board of Trade. Western Canada Fruit and Produce Exchange. Calgary Board of Trade. Moose Jaw Board of Trade. Saskatoon Board of Trade. Prince Albert Board of Trade. Estevan Board of Trade. Regina Board of Trade. Brandon Board of Trade Yorkton Board of Trade. Winnipeg Board of Trade. Canadian Council of Agriculture. Retail Merchants' Association. Canadian Manufacturers Association. Toronto Board of Trade. Ontario Associated Boards of Trade. Hamilton Chamber of Commerce. Canadian National Millers' Association. Canadian Lumbermen's Association. National Dairy Council of Canada.
Fruit Branch, Department of Agriculture of Canada.
Cochrane, Ont., Board of Trade.
Live Stock Producers of Canada. Live Stock Exchange of Toronto. Quebec Harbour Commissioners. Montreal Board of Trade. Chamber of Commerce, Joliette, Que. Canadian Pulp and Paper Association. Canadian Freight Association. St. John Board of Trade. Halifax Board of Trade. Charlottetown Board of Trade. Moncton Board of Trade. Sydney Board of Trade.

JUDGMENT

The Chief Commissioner:

The primary object of this inquiry is to carry out the directions to this Board contained in an Order in Council, P.C. 886, which was approved by His Excellency the Governor in Council on the 5th day of June, 1925, following consideration of the final disposition of a petition to the Governor in Council of the governments of the provinces of Alberta, Saskatchewan and Manitoba, by way of appeal from General Order of the Board No. 408 of date 14th October, 1924, under which certain tariffs of the Canadian Pacific Railway Company and the Canadian National Railways were disallowed and required to be withdrawn from operation. The petitioners sought a reseission of said Order and disallowance of discriminations which would be reinstated by the tariffs which were disallowed. It being essential that certain questions of law and jurisdiction arising in connection with the Board's General Order No. 408, should be disposed of prior to the outcome of said appeal to the Privy Council, such issues were submitted to the Supreme Court of Canada and determined in a considered judgment of the said Court, and thereafter Order in Council, P.C. 886, was approved.

The Order in Council P.C. 886, reads in part as follows:

The Committee are of the opinion that the policy of equalization of freight rates should be recognized to the fullest possible extent as being the only means of dealing equitably with all parts of Canada and as being the method best calculated to facilitate the interchange of commodities between the various portions of the Dominion, as well as the encouragement

of industry and agriculture and the development of export trade.

The Committee are further of the opinion that to give effect to this policy, and considering the submissions made by counsel and important trade organizations representing different provinces and localities in the Dominion as to the disadvantages that would be suffered by such provinces and localities by any partial or incomplete consideration of the freight rate structure, a thorough and complete investigation of the whole subject of railway freight rates in the Dominion should be carried out by the Board of Railway Commissioners, the body constituted by parliament with full powers under statute to fix and control railway rates

The Committee are further of the opinion that as the production and export of grain and flour forms one of the chief assets of the Dominion, and in order to encourage the further development of the great grain growing provinces of the west, on which development the future of Canada in large measure depends, it is desirable that the maximum cost of the transportation of these products should be determined and known, and therefore are of opinion that the maximum established for rates on grain and flour, as at present in force under the Crow's Nest Pass Agreement, should not be exceeded.

The Committee are further of the opinion that, before such investigation is undertaken it is essential to ensure that the provisions of the Railway Act in reference to tariffs and tolls, and the jurisdiction of the Board thereunder, be unfettered by any limitations other

than the provisions as to grain and flour hereinbefore mentioned.

The Committee therefore advise that the Board be directed to make a thorough investigation of the rate structure of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable rate structure, which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade, both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and in particular to:

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled to

the restoration of the rate basis which they enjoyed prior to 1919;
(b) The encouragement of the movement of traffic through Canadian ports;

(c) The increased traffic westward and eastward through Pacific Coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama Canal.

The Committee further advise that legislation be introduced at the present Session of Parliament, making it clear that the provisions of the Railway Act of 1919 in respect of tariffs and tolls shall, save in the particular above mentioned, be operative notwithstanding any special Acts or Agreements and removing all doubts as to the validity of tariffs heretofore filed.

The Committee submit the same for Your Excellency's approval.

Upon receipt of the Order in Council, notice thereof was given by the Board to the various provinces of the Dominion, Boards of Trade, Chambers of Commerce and industrial organizations throughout the Dominion, as well as to the railway companies and to all interested parties. Following such notice, the first sitting of the Board to carry on such investigation was held at Ottawa on the 5th day of January, 1926, and continued from Moncton, N.B., throughout Canada, ending at Prince Rupert, B.C., on the 5th day of July, 1926.

Prior to opening the investigation, and during the hearings at various places, many statistical details were asked from the railway companies, and directions that such be furnished were given in many instances. Exhibits were

also required to be filed in support of certain of the applications.

On the 4th of October, 1926, the Board summoned representatives of the railways for discussion and to receive directions, and to fix a date for final hearing, and thereupon instructions from the Board were issued to all parties

ordering that all exhibits to be used in the final argument should be filed by the 25th day of October, then instant. After the filing of such exhibits, thirty days' notice of the final argument was given for the 30th of November, 1926, and on the date last aforesaid the Board commenced the final hearing and, with recess from the 17th of December until the 11th day of January, the Board sat continually during the intervening months until the 30th day of April, 1927, during which time counsel from all of the provinces and from many Boards of Trade and industrial organizations submitted evidence and argument bearing upon the questions at issue, dealing with the freight rate structure from many standpoints, and its incidence upon the country. In addition to such discussion and investigation, some eighty individual submissions were presented to the Board, many of which involved evidence and argument from the standpoint presented. The record of such hearings comprises some 13.000 pages of evidence, and hundreds of exhibits which amount to some thousands of pages more.

Under the provisions and authority of the Railway Act, the Order in Council has imposed upon this Board the duty of investigating not particularly the rates themselves, but the whole subject of railway freight rates in the Dominoin involving the theory and system upon which they are put together.

The rapidly expanding interprovincial and foreign trade of the country, the steadily increasing exportable surplus of manufacturing and agricultural output, these as well as many other causes make it necessary to examine whether a scheme of rates calculated upon, and reflecting conditions of fifteen or twenty years ago, is sufficient for the present day.

It must be said that it is difficult to find instances in the existing rate schedules wherein individual rates compared with each other can be said to be tainted with undue preference or unjust discrimination. But notwithstanding that, it may be equally true that features of a rate system which some time ago presented no objectionable features, may now require revision. The competitive conditions arising because of the growth of new centres of population and distribution, the increasing force of business competition from without, the steady pressure encountered in world-wide markets to which Canadian products now penetrate—all of these may have so altered the situation as a whole, that certain features of the rate structure have ceased to be efficient, and in themselves may require alteration in some particulars. Our primary duty is to maintain rates which are just and reasonable. No such terms can properly be applied to schedules which are the outcome of a scheme faulty or defective.

In this investigation the outstanding characteristics of the Canadian rate system were passed under review, not so much with the object of revising classifications or individual rates thereunder, as with the idea of determining whether the altered conditions of the years necessitate a change in any of the various features of the system.

In some quarters it has been suggested that the various applications made to the Board under this investigation have given it the character of being simply an effort to reduce rates in different localities. Such applications are numerous and insistent, but we are acting under an Order in Council which has in view the establishment of a rate structure fair and reasonable and equal in its application throughout the country, where circumstances and conditions permit, and consequently it is the principal object of the Board in this inquiry to give attention to the broad outlines of our whole rate system to determine their reaction upon the commerce of the country; to assure ourselves that justice is being done between different parts of the Dominion; to see that as far as possible interprovincial trade is fostered and made easy of accomplishment, and that the way be smoothed for outgoing traffic which in its character as export business is always of the utmost importance, and in all this to have in mind the needs of

agriculture and other basic industries and to regard with special attention the subject matters enumerated under (a) (b) and (c) in the extract from the

Order in Council above quoted.

Incidental to some of these considerations there may be, here and there, reductions in rates; but such is not the primary object of the inquiry now entrusted to us by His Excellency the Governor General in Council. It is altogether too narrow a view to take, that the Board in this investigation is confined to an effort to bring down rates to, or below, any particular level which may be demanded by shippers in different localities. Undoubtedly, anything in such complaints partaking of the nature of unjust discrimination or undue preference should be given immediate attention, or, if the rates in any of the instances complained of be excessive, they should be modified so as to remove the defect. But it must be borne in mind that increasing expenses in every direction have operated against the railways, fully as much as against every other line of business, and seriously augmented their burdens. The labour necessary for operating, the supplies required to be purchased in such operation, the increased cost of additions to the service necessary to be furnished periodically,—all of these must be taken care of by revenue, and it is the duty of the Board to see that the railways are not hampered in their activities.

Exhibits have been presented to the Board on the part of the railway companies, prepared with most elaborate care and almost overwhelming in detail, setting forth their financial condition, and it is doubtful if any feature has been omitted which would impress upon the Board the increased requirements

of the railway systems at the present time.

There is no occasion to labour the question that the railways must receive sufficient revenue to efficiently operate, to provide for all legitimate needs, and to make fair return to those whose money is invested in such business undertaking. The duty of the Board in this regard is recognized and was openly expressed even by those who, in individual instances, have asked for decreases in tolls levied upon themselves, or their business. We are all agreed that rates cannot be reduced to a level which would cripple the operation of the roads, or would make it impossible for them to effect such yearly increases in mileage and equipment which the growing necessities of the country demand.

It would consequently seem expedient to consider certain of the principal features involved in the present freight rate system, which require separate

treatment and explanation.

The list immediately hereunder may not comprise all that could be enumerated but it contains those which were discussed and to some degree challenged during the investigation. They may be classified as follows:—

(1) Transcontinental Rate Scale;(2) Town and Terminal Tariffs;

(3) Different Standard Mileages; east and west;

(4) Grain Rates over the National Transcontinental to eastern Canadian seaports;

(5) Mountain Differential against the Pacific District;

(6) Demestic Grain Rate from Alberta to British Columbia;(7) Equalization of the Western Grain Rates to the proper Canadian

(7) Equalization of the Western Grain Rates to the proper Canadian Pacific main.line basis.

As far as concerns three of the above enumerated features of our present rate system—namely. Transcontinental Rate Scale, Terminal Tariffs, and the different Standard Mileages, east and west, I am of opinion that no reasons have been urged sufficient to make it advisable that the same should be eliminated or altered, as asked by various petitioners. They have been discussed individually in different rate judgments. Their origin and the reasons for their establishment and maintenance have been frequently explained and in

my view such reasons stand as a justification for the continuance of these existing features of our rate system substantially unimpaired. It is, I think, unnecessary to bring into this discussion a reiteration of what has been previously decided concerning them. The Transcontinental Rate Scale has a very definite purpose, and one which should be commended rather than criticized. While it gives rise to some anomalies, nevertheless such are not by any means to prevail against the benefit of the system as a whole. It is true that some localities east of Vancouver are compelled to pay on certain commodities transportation rates greater than those charged for the long haul; but the real issue in that regard is whether the charge for the short haul is reasonable and fair. The two sets of rates are based on different principles, as is well recognized, and are not to be judged by the same standard.

Transcontinental carriage of freight has been much affected by reason of the cheaper, although much more lengthy and circuitous water route furnished by the Panama Canal. In instances wherein rapid delivery is not essential, the competition of the latter route is most formidable. The establishment of this route has deprived railways of much traffic, and wherever they can meet such competition by making low transcontinental rates, they should be encouraged to do so, and schedules framed for that purpose should not be disturbed.

A criticism of some force, however, developed through the complaint that by reason of the transcontinental rate to Vancouver and the rate eastward therefrom, certain distributors in Alberta find themselves at a disadvantage as compared with distributors in Vancouver. The instances of such were not impressive and are not to be met by alteration or elimination of the transcontinental rate. They do not touch the principle of transcontinental rates,

which under present conditions needs no justification.

As regards an alteration in Terminal Tariffs, urged by counsel for Saskatchewan and Alberta, there is involved in the latter the elimination of an assumed mileage between Port Arthur and Winnipeg, whereby the distance between those cities is for rate making purposes diminished by 130 miles. While it may be admitted that the longer distances to cities further west than Winnipeg lessen the percentage of the benefit of such elimination, yet the general advantage of the latter feature is, in my view, of much value taken as a whole. seems hardly possible to elaborate a rate system wherein no inequalities occur. The primary inquiry here as elsewhere involves consideration as to the fairness of the rates challenged. By virtue of its relatively eastern position, Winnipeg admittedly gets a larger percentage of benefit than cities further to the west, but throughout the rate structure there are fully compensating advantages which accrue to the latter. The elimination of 130 miles, both on the westward haul from the head of the Lakes and on the eastward haul from Vancouver, is a concession of importance and should not be lightly discarded. I think no change should be made in this respect.

The question of Town Tariff rates, or distributing rates, is raised both by the province of Alberta and the province of Saskatchewan, and it is urged that the maximum Town Tariff basis which was made effective against the Canadian Pacific Railway, together with any modifications thereof, be now extended to all lines of all railways, in their operation throughout the prairie territory.

I agree with the views expressed by the learned Assistant Chief Com-

missioner in this matter.

The third above enumerated feature, namely, the difference in standard mileage between eastern and western Canada, has been so often thoroughly explained, and reasons therefor developed that it is sufficient to say that under conditions as they exist, no other course seems possible to follow. One cannot ignore the existence of water and other competition which lies at the foundation of this distinction and which has been completely developed in many judgments of the Board.

MOUNTAIN DIFFERENTIAL

Preliminary to the discussion of what is termed the mountain differential, it may be said that prior to the revision consequent upon the judgment of the Board in the Western Rates Case, a disparity existed between the freight rates charged in the Pacific district in comparison with those which prevailed in the prairie district.

The reason for such differential is indicated in the following extract from the judgment of 1914: "beyond all question both the initial construction and railway operation through the mountains are much more expensive than operation on the prairies. Some difference in rates are not only justifiable but necessary." As is well known, this treatment has always met with remonstrance on the part of British Columbia based upon various reasons. The argument put forward to the effect that these higher operating costs should be absorbed by the whole system, has not met with the Board's favour.

As a result of altered conditions in 1914, by the judgment referred to the inequality in freight rates theretofore existing between Pacific territory and prairie territory, in favour of the latter, was reduced from a rate basis where one mile in Pacific territory was counted as two miles under the prairie tariff of 1894, unto a rate basis of one to one and a half. It remained at that figure until the judgment in the 1922 Reduction Case, when the basis was reduced

from one and a half miles to one, to one and a quarter to one.

It prevails now at, as near as may be, 15 per cent over the prairie scale. And this in itself does not tell the whole story. There are many articles being carried within the mountain district, and to and from that district, from and to eastern Canada, wholly free from this lessened differential. The freight now moving within mountain territory which has a rate scale to which this mountain differential does not apply, amounts to approximately 85 per cent of the British Columbia traffic. We are concerned in this inquiry to make, as far as possible, an equalization of rates, and it is incumbent that our efforts in that regard should be kept within the provisions of the Railway Act, which provisions are, in substance, that just and reasonable rates should be imposed. It is not denied that such expression means just and reasonable from the standpoint of the producer as well as from that of the carrier. It is further urged that such rates, to be just and reasonable, should not penalize one section of the country for reasons which are not considered, when fixing rates in other sections.

Argument was addressed to the Board dealing with the primary purpose of the construction of the Canadian Pacific Railway to British Columbia, and complaining that the existing difference in rate scale is at variance with such purpose. This complaint on the whole, spoke much more loudly prior to 1914 than at the present day, for, from reductions voluntarily made, and others arising from judgments of the Board, the source of such complaint has been to

a very large degree removed.

It is contended that, if, during the last dozen years or so, no injustice has been done to anyone by reducing the amount of mountain differential to 15 per cent, little weight can be attached to the contention that the disappearance of the present rudimentary distinction will effect much trouble. At this, and at previous hearings, many arguments against its continuance have been pressed upon the Board by business and public men of British Columbia—some of whom have gone to the length of saying that British Columbia never would have entered into Confederation had it been known that unequal treatment was to be given to its inhabitants in regard to the carriage of freight over the railway which was insisted upon by that province as a condition to entering into alliance with eastern Canada. But the reductions made in the mountain

differential have ostensibly not been made from the standpoint of that complaint. While appreciating the position so set forth, nevertheless it does not seem necessary at the present time, that any considerations need be urged other than those which are in harmony with the wording and directions of the Railway Act with reference to the imposition of rates which must be just and reasonable. It is one thing, however, to maintain rates so in compliance with the Act, while it may be another to determine exactly the incidence of such rates as regards localities.

The judgment of 1914 affirms that it was improper to absorb the then higher operating costs of British Columbia throughout the whole system. If, however, it should appear that the reason for such difference has disappeared, or diminished to such a degree, that the operating costs within the Pacific district present no greater increase, when compared with the operating costs of the system as a whole, than is shown with regard to other districts against which no distinction is made from a rate standpoint, then it will be apparent. I think, that the discrimination against British Columbia has ceased to be reasonable and just, if put upon the basis of increased cost of operation.

To understand somewhat the relative positions of British Columbia and the prairie districts as regards prevailing rates, and the incidence and effect of the present mountain differential, attention is directed, in the first place, to the standard mileage tariffs in use in British Columbia district and in the prairie district, and comparison may be made between a haul of fifty miles in British Columbia and a haul of fifty miles on the prairie. An addition of the rates upon the first five classes of freight (which are the important ones) brings up a total of 183 for the mountain division, in cents per 100 pounds. prairie basis for the same haul is 157, a difference of 26 cents, which is 16.5 per cent higher in the Pacific region for movements in these classes and for this mileage, than is the prairie rate. This distinction works out, on an average, between 15 and 16 per cent. The differential in terminal class rates averages only about 10 per cent. The Western Rates Judgment is the foundation for these latter rates; and as between eastern and western haul, the following comparisons are instructive.—to Alderson, Alberta from Fort William, a distance of 1,109 miles, in comparison with rates from Vancouver to Regina, carrying the same distance, namely 1,109 miles, the rates are figured, as regards the first five classes, at 8 per cent higher from Vancouver eastward than from Fort William westward for these equal distances. The same classes on a distance of 735 miles, namely from Fort William to Indian Head, as compared with Vancouver to Red Deer, show a difference of 13 per cent higher from Vancouver than from Fort William; whereas a distance of about 600 miles, as illustrated by a rate from Vancouver to Calgary, compared with Fort William to Red Jacket, carries a difference of 15 per cent against the western haul, and these terminal class rates, which are actively in discussion, average as a whole, as near as may be, 10 per cent higher eastward from Vancouver that westward from Fort William. It will be remembered that in the comparison of these terminal tariff rates, advantage is given to Vancouver, as well as to Fort William, of the constructive mileage from the latter city to Winnipeg of 130 miles less than the actual mileage. A distinction is pointed out between terminal tariff rates and distributing rates. From Vancouver to a point in Alberta, the terminal tariff applies; but from Vancouver to Kamloops, goods are carried under a distributing tariff. The scope and operation of the distributing tariff from Vancouver is up to the point where the rates for the assumed mileage of 290 instead of 420 become the maximum, and thence the rate is built up eastward, and it may be said that the Pacific distributing rates are approximately 16 per cent higher than the Prairie

distributing rates. In these latter, having regard to the first five classes on a fifty mile haul, there is a difference of 12.1 per cent, the rates in Pacific territory being that much higher than on the Prairie. For a haul of 150 miles, the Pacific distributing rates are 14.6 per cent higher than the prairie distributing rates, and for a distance of 250 miles, the differential is 15.7 per cent above the prairie scale of distributing rates. It is figured that the general average of these groups under the Pacific distributing tariff is higher than that of the Prairie distributing tariff in the amount of 16 per cent.

Turning now to the traffic conditions under which the goods are carried, and viewing the freight movements from the standpoint of both terminal and distributing rates, an analysis may be made, based upon the movement itself

as follows:-

Three subdivisions are noted: First, traffic which moves exclusively within the Pacific territory, originating and terminating within that district. The tonnage involved in such movement, which is carried on class rates, and bearing the mountain differential, amounts to 10.8 per cent of the total of such traffic. Also, certain movements of freight within such district under commodity rates, reflect the mountain differential to an extent shown to be 3.4 per cent of the total traffic thus moved. From the above, it is apparent that of the traffic which originates and terminates within the Pacific territory, a total percentage of 14.2 thereof reflects the mountain differential, and, saying the same thing from the other standpoint, 85.8 per cent is free from such burden.

Second: As to the traffic between Pacific territory and prairie territory, all that now reflects the mountain differential is 6.2 per cent of the volume of traffic which now moves under commodity rates and 5 per cent of that moving under class rates, making a total of 11.2 per cent of the whole of such traffic; leaving 88.8 per cent of the movement in freight between Pacific territory and

prairie territory unencumbered by the mountain differential.

Third: Of the freight movement between Pacific territory and eastern Canada, in both directions none of the commodity rates comprised in such movement involve the mountain differential. But of class rates 13.3 per cent carry this difference, leaving 86.7 per cent free from such burden. Mr. Stephen, for the Canadian Pacific Railway Company, in his evidence summarized the entire situation by stating that of all the traffic to and from all points in British Columbia, 8.3 per cent of the class rates and 6.4 per cent of the commodity rates, reflect the mountain differential.

From this it will be noted, that of the total traffic over and within the mountain region, not quite 15 per cent is subject to the mountain differential.

and a little more than 85 per cent is subject to no such handicap.

As to the amount of money represented by such differential, Mr. Stephen estimated that the application of the mountain scale to the traffic moving within the Pacific territory, involves a difference of from \$250,000 to \$300,000 over the revenue that would accrue from such traffic handled on the prairie scale of rates.

With respect to the traffic between Pacific Territory and prairie territory, in both directions, 11.2 per cent of the tonnage reflecting the mountain scale, was estimated by the same witness to represent between \$350,000 and \$500,000 in excess of the revenue that would be earned by the same traffic, if carried at the prairie scale of rates.

And as to the traffic between Pacific territory on the one hand, and eastern Canada on the other, Mr. Stephen testified that the 13.3 per cent which moves on class rates involving the mountain scale for that portion within Pacific territory, would represent a difference in revenue of approximately \$300,000, if the mountain scale be eliminated.

The testimony as to percentage of traffic, as compared with that which deals with the amount of revenue involved, though given by the same witness, is not of the same evidential value. The former computation was the result of an actual check of the traffic for a period in order to prepare the percentage estimates, but the calculation of the amount of revenue involved was not the result of figures so taken, but, as stated by Mr. Stephen, they were pure guesses on his part. It may be said, however, and seemed to be taken for granted during the discussion, that the elimination of the mountain scale of rates and its reduction to that of the prairie district, would involve an impairment of approximately one million dollars in the company's receipts, if the volume of traffic remains the same, which latter assumption is sharply challenged.

It was seen as the investigation progressed that very many computations were set up, and it is difficult to ascribe to each its exact value. Perhaps none of them should be completely lost sight of, but with reference to some at least,

their evidential value is far below that which attaches to others.

Numerous exhibits have been placed before the Board and costs and comparisons made from all angles. Studies were presented comparing operating costs in the British Columbia district with those of the prairie district from the standpoint of average mileage operated, of freight operating expenses, gross ton miles, net ton mileage, freight train miles, loaded car miles, empty car miles, per mile of road, as well as from the standpoint of net tons per train, gross tons per train, net tons per car, loaded cars per train, empty cars per train, ratio of empty to loaded car mileage, net tons per mile of road, and freight trains per mile of road, and from all these computations and standpoints ratios and averages were worked out involving extremely complicated and exhaustive calculations, all of which are to some degree inter-related, and no one of which, perhaps, by itself leads to any absolutely certain and definite conclusion.

I think we may fairly begin with an examination touching operating costs

on the one hand, and revenue upon the other.

Statements of net operating results during various years were also presented showing almost the same amount of detail as that involved in the calculations concerning the operating costs mentioned above. It is not feasible, nor profitable, to attempt a complete discussion of the subject throughout all the avenues of investigation involved in the above enumeration and detailed at length in the exhibits filed, illustrative of such various lines of inquiry.

There are two considerations which seem to lead to the safest conclusions. The first has to do with the operating costs necessarily incurred in maintaining and operating the railroad throughout the territory in question. And the second

concerns itself with the amount of revenue derivable therein.

Pursuant to request, a segregation of revenue and expenses as between eastern and western lines was sent out by the Canadian Pacific Railway Company, but it was emphasized that other factors must be given consideration from the standpoint of different sections of the road included in such statement.

The Canadian Pacific Railway Company submitted a statement for the year 1925, setting out the operating cost per gross ton mile throughout its system

by districts.

As between lines cast and west, it shows average expenses for all eastern lines, per gross ton mile, to be .00401, and for western lines .00276.

Of the eastern districts the operating cost per gross ton mile is:—

 New Brunswick
 .00553
 Quebec.
 .0050

 Ontario.
 .00367
 Algoma.
 .0029

The western lines show much lower operating expenses, calculated on the same basis, viz:—

 Manitoba
 .00232
 Saskatchewan
 .00281

 Alberta
 .00299
 British Columbia
 .00376

Of the lines west, British Columbia is seen to have much the higher gross ton mile expense, being ·00376, as compared with Manitoba ·00232, the latter being the least expensive of the western provinces from that standpoint. British Columbia's figure ·00376 is lower than the average of lines east, which, as above remarked, stood at ·00401 for that year.

For the year 1924 the same comparison shows operating expenses per gross

ton mile:—

British Columbia continues to show the highest western figures, namely, .00358, as against Manitoba, the lowest westerly figure, of .00268.

It is again to be noted that British Columbia's per gross ton mile operating

expenses are lower than the average of the lines east.

In 1923 the figures are: lines east ·00427; lines west ·00290. British Columbia being ·00403, again below the average of the lines east for that year.

In 1922 lines east show operating expenses of ·00442 per gross ton mile, lines west ·00315. British Columbia's operating expenses were greater than the average of lines east during this year, standing at ·00461, but are lower than those of New Brunswick and Quebec, the latter being ·00534; and New Brunswick ·00541.

And lastly, for the year 1921, the average for the eastern lines is .00532; for the western lines .00388; British Columbia being .00552, again slightly in advance of the eastern average but less than those of the two eastern provinces last above named, which for that year were, New Brunswick .00659, Quebec .00662.

It is instructive to note that there has been a steady decrease in British Columbia's operating costs per gross ton mile from 1921 to 1925 inclusive, represented as follows:—

1921	.00552
1922	.00161
1923	00401
1024	.00403
1924	00358
1925	$\cdot 00376$

These figures show a relative decrease in operating expenses in British Columbia much more substantial than that in any of the other western provinces.

A statement of expenses in the British Columbia district from the years 1921 to 1925 gives the following:—

1921	\$14,010,609 91
1922	13, 420, 133, 75
1923	13,577,728 92
1924. 1925.	13, 255, 154 67

It may be here noted that this condition does not arise from a decrease in business, for the record of loaded freight car miles for the province of British Columbia for the year 1925 shows an increase of more than ten millions over 1921.

In British Columbia in 1925 the operating expenses per mile of line were \$9,663, which is the largest for any of the western provinces with the exception of Manitoba, the latter being given as \$10,598, while the average expense per mile of all lines west is \$7,908, by which it is seen that the expense in British Columbia and Manitoba is higher per mile of line than either Saskatchewan or Alberta, the former being \$5,412, and the latter \$6,764. These figures for the western lines, however, seem moderate as compared with the expense per mile of line in the east, which averages \$12,499 for the same year. The same relative standing is shown during the years 1921, 1922, 1923 and 1924. That is to say, that in each of these years the expenses per mile of line in British Columbia are, with the exception of Manitoba, the highest in the west, but uniformly lower than the average of lines east throughout that period of time.

As regards the Canadian National Railways, full operating results by regions were submitted for the years 1923, 1924 and 1925, such regions being divided into Atlantic, Central, G.T. Western, and Western.

Details are carried through many pages but do not furnish the same grounds of comparison, as are supplied by the answer of the Canadian Pacific Railway Company and above detailed from the record submitted by the latter company.

But it is shown that the operating net for the western region is uniformly higher than that of the other regions, and a further exhibit shows a comparison of operating costs between the British Columbia district and Manitoba, Saskatchewan and Alberta, for the years 1924 and 1925, from which, having regard to the year 1924, it appears that the operating expense per mile of road in British Columbila is \$3,825.50; and in the prairie districts is \$4,761.51.

And for 1923, British Columbia's expense is \$3,536.36 per mile, and the

prairie districts \$4,707.34 per mile.

The loaded cars per train in 1924 in British Columbia were 21.31, and in the prairie districts 23.21. And in the year 1925, the figures show British Columbia 21.18, and the prairie districts 23.63.

The gross tons daily per mile of road for 1924 are 4,438 for the prairie

districts, as against British Columbia 3,034.

And in 1925, prairie districts 4.913, as against British Columbia, 2,862.

As regards net tons, and gross tons per train, the former, namely net tons in British Columbia is shown to be 600, and in the prairie districts 668, for the year 1924.

And for the following year, 587 in British Columbia, and 700 in the prairie

districts.

For gross tons per train for British Columbia, in 1924 the figure stands at 1,251, as against that for the prairie districts of 1,363.

And for the year 1925, British Columbia stands 1,241, and the prairie dis-

tricts 1,442.

The disparity shown by the above comparisons reflects itself in the operating expenses per train mile as follows:—

For British Columbia for 1924, \$4.31, as against \$4.04 for the prairie districts.

For British Columbia for 1924, \$4.31, as against \$4.04 for the prairie districts. And in 1925, \$4.21 for British Columbia, as against \$3.82 for the prairie districts.

The expense under the head of empty cars per train shows 10.82 for British Columbia, in the year 1924, as against 12.47 for the prairie districts.

And for the year 1925, British Columbia is shown at 10.01, as against

14.33 for the prairie districts during the latter year.

There is also shown in the same exhibit, a statement of the freight trains daily per mile of road, which is given for the year 1924 for British Columbia as 2·42, and prairie districts, the same year 3·22.

And for the following year, British Columbia 2.30, as compared with the

prairie districts 3.37.

A comparison of density of traffic is reflected in the item of "Net tons daily per mite of road", which is shown for the year 1924, in British Columbia as 1,454; and for the prairie districts 2,173.

And in the following year, British Columbia 1.353, and the prairie districts

 $2 \cdot 383.$

It is not sought to attach undue importance to any individual calculation, because, as often stated, many factors must be given consideration. But for what it is worth, it will be noted that the operating expenses per gross ton mile upon lines cast, are substantially higher than those upon the lines west. While British Columbia stands out as a more expensive district than either of the other three western provinces, yet it is found to be about the same as Ontario and less than either Quebec or New Brunswick. And as between Ontario and

New Brunswick, in the eastern district, there is no greater inequality than is shown between British Columbia and Manitoba, which stand at the extremes on the lines west.

Turning now to the revenue derived by the railways from the British Columbia district, as appears from the statements put before the Board, it may be noted that while the Canadian Pacific Railway Company was asked to submit a compilation showing the total revenue segregated by districts, no complete answer to this request was made. It is alleged that such information cannot be given separately by districts, but it was supplied for lines east and lines west. Such a statement lacks definiteness in regard to its comparative value as between British Columbia and other districts, but the figures furnished must be given consideration, and for lack of more exact information, in justification to the position of British Columbia, reliance is placed upon what they disclose.

The information supplied by districts as above indicated, shows that the freight operating revenue on lines east, for the year 1921, amounted to \$54,855,-611.95, and lines west for the same year, \$72,325,834.19; 1922—lines east \$54.735.222.17; lines west \$72.567,429.99; 1923—lines east \$56,329.554.80; lines west \$76,312,258.12; 1924—lines east \$52,774,607.57; lines west \$69,125,765.64.

And in the year 1925, total freight revenue for lines east is shown at \$51,820,208.73, and lines west \$74,932,232.82.

A comparison is set out between the eastern and western districts on the basis of revenue ton mile receipts carried through from 1921 to 1925. The trend is substantially even and shows favourably to the eastern lines throughout that period. The exhibit shows in 1921, a total revenue freight ton mile receipt of 1.196 cents, and separable as follows:-

Lines west..... 1.158Lines east..... 1.249

In the year 1925, the freight ton mile revenue for lines east and west appears at 0.970, which in its turn is separable into the figures:—

Lines west..... -857 Lines east..... 1.200

which it will be observed is about 50 per cent better showing for the east than for the west.

As remarked before, it is difficult to ascribe proper weight to each of these calculations, but there are so many others to be considered along with ton mile statistics, that in themselves the latter cannot be regarded as infallible guides in fixing freight rates. Neither do they constitute a generally accepted basis for the same. They reflect neither car loadings, train tonnage, car mileage nor train mileage, all of which are factors of some value. Without any reduction in charge for service, a reduction in revenue per ton mile may be brought about by a relative increase in the length of haul or in the volume of traffic taking low This is recognized in what is known as the Five Per Cent Case, 31, I.C.C., 351, and is specially applicable to conditions in this country, wherein length of haul is so characteristic a feature on the western lines; and volume of traffic bulks so largely in the period during which grain is moved.

While such comparisons, i.e., ton mile statistics, are not without usefulness, their acceptance as a sole test would deny consideration to many other potent and frequently controlling forces. Muskogee Traffic Bureau v. A.T. & S.F. Rv.

Co., 17 I.C.C. 169.

Statements to the same effect are found in many other judgments of the Interstate Commerce Commission, and while willing to concede to ton mile revenue calculations whatever value is rightly attached to them, yet it is a test to which the previous remark is specially applicable, namely, that no one can be, by itself, regarded as conclusive.

Page 18 of Exhibit 98 of the Canadian Pacific Railway Company, sets out the net earnings per mile of line and per total train mile from 1921 to 1925 inclusive, on lines east and west, segregating the same. It shows that the net earnings have increased from something less than 12 millions to over 16 millions, on the lines east, while on the lines west it stands in 1925 at \$30.833.574.30, an increase of a little over \$800,000 since 1921.

And a per total train mile earnings on lines east for the year 1925 of 0.77,

and on lines west of 1.33.

In answer to the question as to what he considered to be the final test of the success or otherwise of the company's operations in regard to expense, at p. 2729, Vol. 498, Mr. Stephen said, that after considering every factor, the net

revenue per mile of line is his final test.

Turning from net earnings to operating revenue, no details are available by which to test British Columbia with the other provinces in the west, or with the eastern districts. Operating revenues, lines east and west, are furnished, and confining the comparison to freight carriage, the revenue per mile of line for the year 1921 on lines east is given as \$11,364, and lines west \$8,857.

·	1922,	Lines east\$11	1,339
		Lines west	
	1923,	Lines east 1	1,664
		Lines west	
192	1924,	Lines east 10), 19
		Lines west	
		Lines east 16	

This does not include passenger traffic which, if included, increases the disparity of revenue between the east and the west in greater favour of the east.

For want of more definite information concerning operating revenues by districts, it is necessary to confine our observations to the sums detailed between lines east and lines west as above.

Comparisons are given in detail as to per mile of line, per freight train

mile, per loaded car mile, and per revenue ton mile.

With the exception of that which has regard to per freight train mile, the calculation on the other heads favours the east as against the west, for reasons which are obvious, having regard to the shorter mileage, greater density of traffic and interurban carriage.

The item of revenue per freight train mile is distinctly in favour of lines

west, being as follows:-

1921	Lines east	 \$5	58	Lines west\$6	79
1922		 5	08		65
1923		 4	89		14
1924		 4	83	5	47
1925		 4	78		37

In an exhibit (No. 218), filed on behalf of the Province of Ontario, table 2 thereof sets out the net freight earnings of the Canadian Pacific Railway Company calculated on exhibits submitted in response to a question by British Columbia and Alberta, which show the earnings of the last named company during the years 1923, 1924 and 1925, segregated between lines east and lines west as follows:—

1923 (C.P.R. net earnings,	Lines east	\$17,089,708
1924		Lines west. Lines east.	28 749 104
		Lines west	27.312.822
1925	66	Lines east	16,419,102

These figures are open to the obvious comment that it is the easy condicions of the prairie provinces which enhance the value of that region from a railway standpoint, and they have no direct bearing upon the difficulties of transport throughout British Columbia; but the figures must be dealt with as represented and for what they show.

Exhibits were also filed giving the total revenue of the Canadian National Railways by regions, as well as net freight earnings by this company by regions also.

For the purpose of the comparison now being made, these compilations carry us no further than those of the Canadian Pacific Railway Company which are detailed above, and I think no good purpose would be served by enlarging upon them.

Helper Mileage

Helper mileage is recognized as a necessary additional expense for the movement of traffic, and to the extent that it is requisite, must be a burden upon traffic moving in localities in which such assistance is necessary.

Canadian National Railways

It is to be noted that in answer to question 20 of Exhibit No. 97, the number of helper miles necessary for the transport of British Columbia freight is given, and compared for the years 1923 and 1924 with those necessary for

other regions.

British Columbia shows the number of helper miles at 1,328 for the year 1923. There are, however, in Alberta 27,601 helper miles, a portion of which undoubtedly would be within the Pacific territory. Just how much is attributable to Pacific territory alone is not given, but the whole figure is moderate when compared with the Atlantic district, over 47,000; the Quebec district, over 154,000; Montreal, 143,000; southwestern Ontario, 270,000; and Grand Trunk Western, 111,000.

For the year 1924, the figures are relatively unchanged, although by no

means identical.

Canadian Pacific Railway -

Helper mileage on the Canadian Pacific Railway line shows more marked disadvantage as regards British Columbia. In response to a question submitted by counsel, the latter company has detailed the number of engine helper miles by districts, 1921 to 1924 inclusive. It shows that British Columbia has the highest number, yet as compared with Quebec district, the disparity is not so great as to justify any different treatment. During the four years in question the number of helper miles necessary in the British Columbia district totalled 887,713; while those in the Quebec district aggregated 769,924.

The conclusion to be drawn from the above figures is, in my opinion, that the mountain differential is not justified for the purpose of equalizing any dis-

parity arising from the necessity of helper mileage in British Columbia.

In coming to a conclusion as to whether a given rate is just and fair, one cannot disregard the course of dealing between other parts of the same system. If, for instance, it be shown that from all standpoints by which results are tested, a disparity exists between two sections maintained as separate districts, involving a comparison of revenue ton miles, density of traffic, gross ton miles, and all the other factors which may be enumerated, and yet notwithstanding all this no difference in the scale of rates has been set up between them, it is difficult to see how the same distinctions, when operating between other sections of the road, can be relied upon in support of a differential which the former disparity does not give rise to. It needs no elaborate presentation of statistics to establish the fact that operating costs are and must be greater in British Columbia than in other sections of the road included among the western lines, and the chances are that this will always be so. There are the mountains to climb, and tunnels which require expensive oversight, dangers to be provided

against with reference to the roadbed and right-of-way, all of which must be reflected in increased costs. But if these things occasion no greater relative inequality as compared to that which runs between other sections of the road, they cannot justify a heavier load in the one section only. If the figures now before us, all of which have been furnished by the railways, truly reflect the expenses of operation, and are of value in our calculation, it may well be argued that British Columbia's present higher figures are assisting to carry the increased expense which other portions of the line in the eastern districts occasion.

There are other features of the exhibits which show the cost of operation in British Columbia at a figure greater than that of the western provinces, and of some of the eastern districts as well, but they are not of such a nature as to carry the argument in favour of the mountain differential any further than it is carried by the figures and calculations submitted on behalf of the Canadian Pacific Railway Company, nor, in my opinion, do they add to its force.

While each railway must be operated as an individual system, not as lines east and west, yet for the purpose of comparison, as before noticed, statements of revenues and expenses have been submitted in which such distinction is shown. They show that as regards the eastern regions, operating expenses are much greater in New Brunswick and, to some degree, in Quebec, than in other portions of the eastern territory. This disparity, however, is no greater than that which is disclosed as between British Columbia and the other western sections.

There has been no complaint heard, or contention made, that a differential should be imposed upon the more difficult railroad portions of the eastern territory, but the more favoured part of this section of the road has acquiesced in the present position.

There is no reason to believe that the favoured section of the western territory takes any different attitude towards British Columbia which, despite its mountain difficulties, is making an increasingly better showing from a railway standpoint year by year.

It will also be noted that the observation from the judgment in the Western Rates Case assigned initial construction, as well as operation, as justification for a difference in rates.

The case of the province of British Columbia in this respect was strongly urged upon the Board by the Honourable John Oliver. Prime Minister, who asserted that:-

The Statutes in force at the time of Union would not permit of unjust discriminations

which have since been imposed by the railway company.

At the time of Union, the people of British Columbia, protected by the statutes as then in force, had no reason to think and as a fact did not anticipate that they would be required to pay higher rates for service from the railway than were imposed in other parts of Canada on the same railway.

Had the terms of Union stipulated that higher rates might be charged in British Columbia for railway service than were charged by the same railway in other parts of Canada, the people of British Columbia would not have entered the Union on such terms.

He called the attention of the Board to the contract between the Canadian Pacific Railway Company and the Dominion Government, wherein the railway company centracted to construct the railway by way of the Yellowhead Pass, and submitted that the company having voluntarily abandoned that route, over which they had contracted to build, and over which no mountain grades existed, it was manifestly unfair that the railway company should be allowed to impose upon British Columbia for all time an increased cost of service, because of the

change. He claimed that the Canadian Pacific was amply compensated for the obligations assumed, and stated that:—

From various sources of information I have compiled a statement of the subsidies in lands, moneys, and constructed railway, including costs of service, which the railway company received from the Dominion in respect to its main line of railway as follows:—

Cash subsidy	\$ 25,000,000
Constructed railway including service. Cash in exchange for subsidy lands.	38,000,000 10,000,000
18,206,985 acres selected lands valued at the time of earning at	27,310,000
Making a total value of subsidies as at the time of earning of over	\$100,000,000

Objection was urged by counsel for the Canadian Pacific Railway Company against the Board entering into an examination and discussion of the proceeds of subsidies granted in aid of the road, and while not denying its power, the Board did not think it necessary at the present to embark upon such inquiry, although strongly urged to do so as regards the feature of land subsidy. It was emphasized that the subsidies were received as well for operation as for construction, and the statutes bear this interpretation. And the contention put forward that the Canadian Pacific Railway Company has received extra compensation for the increased cost of construction through the mountainous territory of British Columbia, has been well sustained. It is contended that such compensation offsets in full the increased expenses of such construction. Whether that be so or not, I do not think that there is any such margin left as would justify the continuance of the differential complained of.

Having received large subventions for the express purpose of overcoming the physical difficulties throughout its system, which have been enlarged upon and which admittedly exist, the company cannot now in justice be heard to urge these difficulties to uphold a discriminatory scale which such subventions

were given to overcome.

The figures detailed above show, I think, with sufficient clearness, that there is no more justification for a continuation of the mountain differential against British Columbia, than there is to establish it on other parts of the system. From the standpoint of operating expenses and revenues collected throughout that district, it should not be further discriminated against.

III

Branch and Main Line Rates

Bearing upon the application to equalize throughout the west the mileage rates on grain and grain products as between the Canadian Pacific Railway main line and its branches, and to apply such rates to the Canadian National Railways and branches thereof, consideration of the scope and effect of the statute of 1925, amending the Railway Act 1919, is pertinent and necessary.

The Board has had the advantage of a most complete discussion of the amendment in question, on the part of those supporting the motion, as well as by counsel representing the Canadian National Railways and the Canadian

Pacific Railway Company.

Mr. McEwen, speaking on this subject for both Alberta and Saskatchewan, pointed out that at the time of the Crowsnest Agreement there were in these two provinces only two branch lines upon which grain was carried, namely: the Prince Albert Branch—Regina to Prince Albert; and the connecting line between Edmonton and Calgary, and as concerns the former, he showed that from Regina to Aylesbury, a distance of approximately 65 miles, the grain rates charged thereon were as a matter of fact on the main line basis; but from Aylesbury north to Prince Albert, the rates were on a higher level than those prevailing on the main line.

As regards the Edmonton-Calgary Branch, he drew attention to the fact that the Calgary grain rate on 1.267 miles was 26 cents, it being the most westerly point on the main line from which grain and flour for Fort William were carried. Admitting that in going north on the Edmonton Branch, the first station, at a distance of 1.275 miles from Fort William, took a rate of 27 cents, being one cent higher than the Calgary rate, he submitted that as there were no mileage comparisons available from any point west of Calgary, it did not follow that the 27 cent rate on the Calgary-Edmonton Branch station would be higher than the rate from a presumed point on the main line west of Calgary, carrying a distance equal to that of the first station on the Edmonton Branch.

These being the only branches in these two provinces at the time of the Crowsnest Agreement, from which any deductions can be drawn, it was further pointed out that in the province of Manitoba two branch lines, namely: the Manitoba Southwestern and the Manitoba Northwestern, were then in existence and took the Crowsnest rates. Both of these, at that time, were branches from the Canadian Pacific Railway and one at least, the Manitoba Southwestern, was operated as part of the Canadian Pacific Railway System. He was, therefore, able to show that, starting at the time of, or immediately after, the Crowsnest Agreement, the Manitoba branch line rates were not in excess of the Canadian Pacific main line rates; that upon the Prince Albert Branch, for a portion thereof, the same measure of rates was followed, and that for the succeeding and larger portion a higher scale prevailed; and finally, that upon the Edmonton-Calgary Branch no conclusion was drawn because the raise of one cent from Calgary to the first station northward was not shown to be out of line with the C.P. main line rate, if a station at that distance westward had been in existence.

He argued with force that a proper starting point of the discussion would be to give attention to the rates which prevailed on these branch lines in question, at the time of the Crowsnest Pass Agreement, and draw therefrom inferences as to what was the prevailing branch line rate for application to branches subsequently constructed.

With this as a basis of his argument, Mr. McEwen proceeded to develop the present rates on all other branches, submitting the same to a comparison which, while it did not show such uniformity as to be conclusive, cannot be said to be without some effect upon the general discussion, for the reason that a large number of stations on the branch lines constructed after the agreement had apparently put in rates no higher than those prevailing on the main line, and his contention was and is, that a comparison of the number of such latter points with the number of points on such branches carrying higher rates leads to the conclusion that, generally, branch line rates were based upon similar mileages on the main line, although as before remarked, a considerable number of stations on such lines contravened his argument in that regard. It is not necessary to follow in detail, from station to station, the presentation made by Mr. McEwen in his argument, for in my view the matter need not be decided upon this basis, but his exhaustive comparison stands upon the record in support of the contention that taking the rates throughout both main and branch lines, a fair amount of consistency is shown.

Mr. Woods, in support, contended that carrying a difference in rates on a given mileage as between main lines and branch lines, casts upon the railways the burden of making reply to the prima facie case of unjust discrimination and undue preference, that the main line rate being a statutory rate, it follows that in doing away with discriminations the branch line rates must come down to those of the main line. He agreed that as far as conditions in 1897 were concerned, no mileage basis was shown either in the statutes or in the agreement, but contended that an analysis of the tariff shows that within certain mileages.

certain rates prevailed. That when it is found that by virtue of the agreement between certain mileages certain rates are carried, it follows that when the statute says that the rates on grain and flour from the West are to be governed by the agreement, they must put in rates within those mileages at the main line figures. Dealing with section 325 and amendments, he argued that it was the culmination of an approach to equalization in grain rates as well as in other rates throughout the prairie territory, supporting this argument by a resume of the rates cases from 1914 onward to the issue of the present Order in Council. He urged that it was the manifest intention of the different Orders that a parity of rates should be established as conditions became more and more similar throughout the country, and that approach to such parity is not only apparent from the Orders in Council, but is reflected by the judgments thereunder in 1914, 1918, 1920 and 1922.

Following these judgments, as well as instructions to the Board by different Orders in Council, he summarized the position which had been reached prior to P.C. No. 886, and from that standpoint, argued that the effect of the 1925 amendment by subsections 5 and 6, taken together, forces the conclusion that the rates on grain and flour should be equalized on the basis of the Canadian Pacific Railway main line rate. As far as concerns subsection 6, he agreed that its effect is to make it clear that the discriminatory provisions of the Railway Act apply.

The viewpoint of the Canadian National Railways is not wholly identical with that of the Canadian Pacific Railway Company. Different lines of argument tending, however, in the same direction, were submitted by counsel repre-

senting the railways.

Looking first at the position taken by the Canadian Pacific Railway Company, which in a sense is the most informative, it is contended briefly on the part of that company, that there are not, and never were, mileage rates under the Crowsnest Agreement. It is pointed out that there is no actual unit of measurement contained in the agreement or in the legislation which gave rise thereto, but that the rates taken as they actually existed were subject to a three cent reduction; that there never had been a mileage scale or anything approaching it, but on the contrary, the rates were made on a zoning principle which is inconsistent with a rigid mileage rate. Having ascertained in 1897 the proper rate, after subtracting three cents from the then existing rates, the argument of counsel for the Canadian Pacific Railway Company was, and is, that such rates so found stand as actual, proper, Crowsnest rates. It was pointed out that the application of the Crowsnest Pass legislation and agreement created no uniformity of rates, that the disparity previously existing was by no means lessened, and consequently, that it could not be argued that by virtue of the Crowsnest Pass Agreement any similarity in rates was predicated upon the main line, and certainly none upon the branches then in existence or which thereafter were put in operation.

Mr. Flintoft contended that this was a condition thoroughly well known and recognized; that in 1922, after the statutory suspension of the rates was lifted, the same rates as previously prevailed were put into effect by Act of Parliament, and were then regarded and recognized as Crowsnest rates. That the rates so re-established in 1922 were in accordance with the judgment of the Board in the 1918 case, and that such judgment really operated as a finding of fact as

to what were the proper rates under the 1897 agreement.

He consequently maintained that the present rates, although exhibiting the disparities complained of, are nevertheless in accordance with the judgment of 1918, and with the Crowsnest Act and Agreement; that the rates established in 1922, as far as Saskatchewan and Alberta are concerned, are the rates put into affect under the judgment of 1918, subject to variation in the case of Manitoba, 62863—113

being one cent below the agreement, and pointed out that when parliament extended the Crowsnest rates to all lines, the main line rates were not applied

to the branch lines.

Approaching the 1925 legislation, it was argued by him and Mr. Tilley, K.C., that the amendment to the statute does not determine the rates; that to get the rates for any given territory recourse must be had to the conditions existing in 1897; that when parliament legislated in 1925, it was well known what the Crowsnest rates actually were, because they had been dealt with by legislation

in 1922 as above explained.

From this historical standpoint, counsel approached their explanation of the 1925 statute, contending that by the expression in subsection 5, "That such rates shall apply to," etc., is meant that specific rates from specific stations existing in 1897 are indicated as applying to other stations subsequently established; that if there were, say, one hundred stations existing in 1897 and a thousand to-day, and the hundred stations in 1897 carried various rates bearing no mileage preportion and exhibiting discrepancy as between branches and main line, it is incumbent to deduce from known facts the scale of rates which applied en different mileages, in order to get a proper schedule; that such scale must be determined by an investigation of the rates actually in effect at that time, and having reasonably determined the same, a complete scale in harmony with the rates then in effect can be evolved applicable to all other stations whereby compliance with the Act can be secured

It was submitted that the language used in the section includes every feature of the rates as they existed in 1897 both main line and branch lines north and south, and that having such data, a scale must be evolved of rates applicable to stations on other lines now constructed—not that rates on the main line or on favourable southern lines should be made standard, but that all rates plotted as on a map should be found and extended and enlarged and properly related to other stations brought into existence since 1897 Therefore, it is argued in brief, that section 5 of the new Act determines a scale and imposes

that scale.

As to subsection 6, it was further contended by the same counsel that it is not a provision to rearrange and adjust what is put into effect by subsection 5, neither does it in any way modify what may be objected to in subsection 5, but under it (subsection 6) regard may be had as to whether rates not controlled by the Crowsnest Pass Agreement are out of keeping with the rates that are so controlled, that when the proper scale having been found under clause five, recourse cannot be had to clause six to see whether such scale may be altered.

Mr. Fraser contended that prior to the amendment of 1925, there were no statutory rates upon grain and flour applicable to the Canadian National Railways. He pointed out that at the time of the Crowsnest Agreement there were no less than seventy-seven points then on the Canadian Pacific Railway, now on the Canadian National, which took rates thereunder. For such stations specific rates in cents per hundred pounds were allocated, and he claimed that whatever rates could be found, which were put in pursuant to the provisions of the agreement, they must now apply on grain and flour pursuant to the legislation, and such rates so put in should be, he argued, considered conclusive. Having therefore as a starting point these seventy-seven points on the Canadian National Railways, all the rates should be lined up thereform.

He further argued that they are entitled to view the situation as it was in 1897, and see what rates they would reasonably have had in effect at that time, or in 1899. That, considering the conditions, they would have been then entitled to a higher basis than the Canadian Pacific Railway, as they were in a newer territory, and it would be reasonable and fair to approximate the rates which would have been in existence on the assumed new lines in 1897, and calculate

what they would be after a three cent reduction. He maintained there was no mileage basis then in existence, nor at the present time, so that it is impossible to say what rate per mile would have been represented in the schedule at that time.

He also pointed out that while the Canadian Pacific Railway had always been under the terms of the 1897 agreement, except when suspended by Act of Parliament, such agreement never affected the Canadian National Railways until 1925, and as far as the main and branch line rates are concerned on grain and flour, noting the fixed points on the main line and the Prince Albert branch, rates have been built up around them and a uniformity has resulted, so that it is contended that on the Canadian National main line and branch lines the rates are relatively on the same basis.

He distinguished between the status of the Canadian Pacific Railway under the 1925 legislation and that of the Canadian National Railways, and argued that if the latter's rates are fairly conformable to others called for by the 1897 agreement, and fairly applied in conformity with the 1925 amendment, they cannot be changed or fixed by the Board, and as far as subsection 6 is concerned, while undoubtedly the intention was to relieve all discrimination against both

railways, yet the section as a matter of fact does not do it.

It need hardly be said that it is the object of counsel for both railways to demonstrate that the amending legislation of 1925 does not empower, nor indeed permit, the Board to lay its hand upon existing disparities, and remove them. Whatever the intention of parliament may have been, it is argued on the part of the railways that no effective instrument has been handed to the Board which it can use against such discrimination as may exist.

I do not think it is necessary for the Board to concern itself with the fine distinctions which were drawn by counsel concerning the scope and intent of the amending legislation of 1925. Under the facts disclosed by the investigation now concluded, it seems to me that this case can be decided upon the grounds

which are clear and obvious.

Attention, however, must be given to the distinction suggested and contended for by Mr. Tilley, wherein he argued that subsection 6 can have no operation as between Crowsnest rates themselves, but we simply effective when Crowsnest rates are compared with others which have not that origin.

With great respect for the views of the learned counsel, I am unable to follow this reasoning, in the face of the wording of the section. I can find no such distinction set out therein, nor any such suggestion. I am rather inclined to place upon this section the interpretation expressed by the learned Assistant Chief Commissioner in his discussion with Mr. Flintoft, as set out in Vol. 452, p. 1800, as follows:—

In the absence of subsection 6, if there was a complaint that a grain rate at a particular point was in a condition of comparative unreasonableness, in other words, unjust as compared with a grain rate from another rate, the railway in the absence of that subsection could say: Yes, we have a more favourable rate at point A as compared with point B, but that rate at point A is in accordance with the terms of the statute, therefore, it is reasonable even from the standpoint of reasonableness per se, or comparative reasonableness. But with the subsection as it stands, as I said before, on the interpretation of the Railway Act, those sections of the Act in respect of undue preference and unjust discrimination apply.

From the view I take of the problem, it does not seem to me necessary to agitate that question further. I am not prepared to dissent from the view that another interpretation is competent, but considering it upon the basis above ascribed to it by the learned Assistant Chief Commissioner, it answers the purpose, I think, of the present application; and I am further of the opinion that the subsection is applicable to both the Canadian Pacific Railway Company and to the Canadian National Railways.

Dealing now with the disparity between rates on branch lines as compared with those of the main line, the Board has not infrequently ruled that rates upon the former lines are properly maintainable at a rate higher than those which prevail upon the main line. Instances of such rulings have been found in many cases decided by the Board, but an examination of these cases does not, I think, show any principle whereby the mere fact of an individual rate being a branch line rate, ipso facto entitles it to a higher scale than prevails elsewhere, but it seems that specific and special reasons must exist in every instance to justify a higher rate on the branch line. I consequently think, in harmony with the Board's judgments, we must look for the existence of some good reason for greater rates being imposed on this branch line traffic than upon that of the main line, and if it can be found, and be satisfactory to the Board, no disturbance should be made. It can be gathered from previous cases that such reasons may be sought in connection with the commodities which are carried and the conditions which apply to their transportation, as well as to the condition of the line.

The learned counsel for the railways have not given any satisfactory information to the Board assisting to the conclusion which they seek to maintain, and the evidence in this particular is wholly inadequate to discharge the onus which admittedly is upon the railway companies in this branch of the inquiry. And a most suggestive circumstance bearing upon the merit of this application is that in the transportation of all other classes of goods over these main and branch lines, no distinction is made between the rates from that standpoint. If it be right, as we must assume it is, that in all the movements of all other classes of freight over the main line and branches of these railways throughout the territory involved, the distinction sought to be maintained here against grain is absolutely ignored with reference to all other classes of traffic, it is difficult to see why the same rule should not apply to the carriage of grain and grain products, which are admittedly the most important of all classes of traffic carried over such lines. I think the applicants are entitled to succeed in their application to equalize the grain rates on branch and main lines. In view of the equality of rates as regards other traffic, it is, in my opinion, an unjust discrimination against grain growers to continue the existing disparity between branch

Assuming then, that the Board has reached the conclusion that an equality should prevail in main line and branch line rates, the question presents itself as to what such scale should be. It is at this juncture that the amending Act of 1925 comes authoritatively into the discussion. It says, in the latter part of subsection 5, as follows:—

Provided that notwithstanding anything in this subsection contained, rates on grain and flour shall, on and from the date of the passing of the Act, be governed by the provisions of the agreement made pursuant to chapter 5 of the Statutes of Canada, 1897, but such rates shall apply to all such traffic moving from all points on all lines of railway west of Fort William to Fort William or Port Arthur over all lines now or hereafter constructed by any company subject to the jurisdiction of Parliament.

Let it be admitted that, pursuant to the agreement of 1897, the Canadian Pacific Railway Company in ugurated and maintained schedules under the Crowsnest Pass Agreement, manifesting a disparity in rates between the main line and a portion of the branch line service. We are now concerned to establish throughout equalized rates in keeping with those made pursuant to such agreement. It is argued by applicants that such rates must be in accord with those prevailing upon the Canadian Pacific main line. It is shown that there were in Saskatchewan and Alberta two branch lines, namely; the Prince Albert Branch and the branch from Calgary to Edmonton; and in Manitoba there were also two.

Mr. McEwen's discussion of the rates put in and maintained on these branch lines is not without pertinence here. It is apparent that as far as the Prince Albert line is concerned, the main line rates are partially followed, and that a main line rate calculated upon the increased distance from Calgary westward would show a rate apparently not inconsistent with that upon the branch line from Calgary northward; that the two Manitoba branches carried rates in accordance with the agreement, and he concludes from all this that the main line rates are, and must of necessity be, the proper basis when seeking to comply with that part of the provision of subsection 5 which directs that rates under the agreement must be set up, because no other rational basis can be found.

The least critical comparison between the two methods of arriving at the proper rates under the agreement, whether the branch line rates or the main line rates should be taken, can hardly lead to the conclusion that a series of rates so comprehensive as those of the main line, and in accordance with the Crowsnest Agreement and followed by the two Manitoba branch lines and a part of the Prince Albert branch, must be set aside for those which prevailed on a portion of the Prince Albert Branch. The argument that the latter, carrying branch line rates should as such apply to all branch lines now in existence, has no foundation in the statute. It is the rates under the agreement that are to count. If the phrasing of the amendment made any such distinction, one could very well conclude that to branch lines subsequently constructed, there should be applied rates prevailing on branch lines at the time of the agree-No such limitation, however, is made. But even then, the question would remain, why the rates on a portion of one of these branch lines should be taken as against those prevailing throughout over two other branches, and over a part of the third. Even without the provisions of subsection 6, and apart from all other considerations, it would be with the greatest difficulty that I could entertain the suggestion that the few irregular branch line rates then existing on the northern part of the Prince Albert Branch are now to govern the movement, and that such would be in compliance with the provisions of subsection 5, confronted as we are with the comprehensive rate system then prevailing on the main line, and on the greater part of the branch line mileage as well, as compared with the meagre, unsatisfactory and irregular figures attaching to a portion of one of the then existing branch lines. But followed as it is by subsection 6, which need not be repeated here. I can come to no other conclusion than that the main line rates must apply throughout.

But there remains another consideration which leads to the same conclusion, and which to my mind renders it impossible to set up any other basis, and that is the fact that unquestionably these main line rates are statutory. They cannot be exceeded. Consequently any equalization must be upon their level. I do not see any escape from this conclusion, once the idea of equaliza-

tion has been admitted.

From all of the above, I am of opinion that main line rates must be the standard, and I also think that the equality between the branch and main lines should be based upon the approximate mileages disclosed.

Board's Order No. 36769

Involved in the present application is the disposition of a motion to rescind the Board's Order No. 36769, which directed a reduction of rates on grain and flour moving westward for export to the same rates proportionate to distance as the same would carry if moving eastward for export.

This Order was issued on the 2nd of September, 1925, after a complete consideration of everything involved in an application to that end, made by

the province of British Columbia.

The subject matter of the Order now engages attention from two standpoints:

First: an application on the part of the railways to rescind the same.

Second: an application by the provinces of Saskatchewan and Alberta to compel the railway companies to obey such order.

The contention of the provinces above named is that the railway companies have not set a proper westbound mileage rate in accordance with the Board's Order No. 36769.

This latter application came before the Board in February, 1926, where-upon it was argued by the railway companies that as such rates westbound must be measured by eastbound rates, and eastbound rates being in dispute, nothing can be conclusively affirmed with reference to the accuracy of the rates to the west. This is the substance of the dispute, as far as concerns the complaint against the course pursued by the Canadian National Railways. Admittedly when an order directs that the same rates shall be charged westbound as eastbound on a given commodity, it must be clearly determined what the eastbound rates are. Pronouncement as to the proper eastbound schedule will definitely determine whether the Canadian National Railways have complied with the Order or not.

The course pursued by the Canadian Pacific Railway Company which has given rise to objection is, that it has calculated its mileage to Vancouver from the longer haul of the Canadian National Railway on the line from Edmonton to Vancouver.

From Calgary to Vancouver is a distance of 642 miles. From Edmonton to the same point of export is 766 miles, and the Canadian Pacific Railway Company in detailing its schedules in affected compliance with the order, has named its rate upon a basis of 766 miles, the distance from Edmonton to Vancouver, instead of calculating the same upon its own distance of 642 miles.

I do not think this action on the part of the Canadian Pacific Railway Company can be justified. The Order does not bear any such construction. It is incumbent upon the railway company to calculate the correct mileage and adjust its rates thereto.

The rates set up by the Canadian National Railways will be adjusted to the eastbound schedules determined by this judgment.

The application to rescind or vary Order No. 36769 will be dismissed.

Domestic Grain Rates to British Columbia

Application was made on behalf of British Columbia that the domestic grain rate to Vancouver be lowered to an export basis. This was urged partly on the ground that it costs no more to move the one class of grain than the other, and an improper discrimination is set up by reason of such difference,

and by a comparison of grain rates elsewhere.

The first contention altogether disregards the reasons lying at the basis of export rates, and ignores also the primary test of domestic rates; which is, whether the rate be reasonable and fair. It is not intended to repeat any more fully the arguments justifying an export basis lower than that accorded to domestic traffic further than to say that the former is simply part of a through rate, and it is thoroughly justifiable from that standpoint. It does not compete with grain transported for domestic purposes and consequently no comparison between the two rates is properly drawn. Much discussion took place as to what might be the effect upon the milling industry of Canada in case this application were granted. It is unnecessary to have recourse to these considerations in deciding the point here at issue.

The removal of the mountain differential as against British Columbia will have the effect of granting substantial reduction in the rate accruing to grain for the domestic market. A typical rate from prairie producing points to the west may be taken to be $41\frac{1}{2}$ cents, and a reduction to the prairie mileage brings that figure down to $36\frac{1}{2}$ cents which, I think, is not unreasonable. In this connection it may be noted that the rates on wheat in carloads from Fort William to Saint John and Halifax exhibit a like disparity as between export and domestic rates, as follows:—

	Export.	Domestic.
10	In cents pe	r 100 lbs.
Saint John	$35\frac{1}{2}$	551
Halifax	351	57

The application to reduce the domestic grain rate to the export rate should. I think, be dismissed.

VI

RAILWAY REVENUES

Attention must be given to the claim, strenuously presented by both railways, to the effect that decreases in revenue involved in the elimination of the mountain differential, and in the equalization of main line and branch line rates for the carriage of grain, as well as by the transportation of grain and grain products over the National Transcontinental Railway at rates in compliance with the application of the Quebec Harbour Commissioners and others, would entail a most serious shrinkage in revenue, which would impair their efficiency and render it impossible to maintain the standard of service now enjoyed, to

say nothing of extensions urgently required at the present time.

The possibility of such result has been a matter of earnest and serious consideration on the part of the Board, especially in view of the figures presented both at, and subsequent to, the hearing, showing an estimate of loss which would be suffered if these applications be given effect. As previously remarked, it is the duty of the Beard to protect and preserve the railways in their financial operations by allowing rates reasonable and fair to them. We are also directed to thoroughly examine the rate structure with a view of removing the features which constitute an injustice to localities, and considering the representations made and the evidence given, it seems clear to me that the maintenance of the existing schedules of rates, as regards two of the three features above enumerated, constitutes an injustice to the localities concerned and is unjustly discriminatory. In respect to the mountain differential, counsel in support of such applications was able to show that accompanying the lowering of such differential to 15 per cent, there was interposed the claim on the part of the railways that financial impairment must necessarily follow. As a matter of fact, it has not accompanied any of the various reductions which were made. On the other hand, the relief afforded to traffic thereby has invariably resulted in increased business and larger revenue to the railways. Judging from the past, there is no assurance that any financial loss will accrue to the railways by the elimination of the small differential now existing. An equally probable conclusion, I think, is that such revenues would be augmented by the quickening of commercial effort and the carriage of other goods which the increased purchasing power of the people would make it within their ability to buy. It may be remembered that the same argument was forcibly expressed when the Board's Order No. 36769 was made, and that such prediction has proved wholly groundless. It is not to be contended that every decrease in freight rates will bring about an increase in revenue, but I am not convinced that any impairment whatever of

the income of the railways will follow the course suggested by this judgment. If it does, the situation will have to be taken care of, and rates adjusted to give satisfaction. But these discriminatory features of our rate system must disappear, and if it be necessary that a general increase in rates be made, such course is open, but they must be levied, equally upon all parts of the country. If, as is sometimes argued, it is impossible that any increase whatever can be made in the eastern districts, in such case the Board may have reached the position of difficulty indicated in the judgment quoted from below (Vol. 15, Board's Orders and Judgments, p. 277):—

By a series of decisions of this Board it has been held that just and reasonable tolls mean tolls reasonable and just from the standpoint not only of the producer, but also from the point of view of the railways—having regard to the revenue necessary to enable them to operate successfully and including a fair return on the investment made.

It is not open to anyone to criticise or find fault with the principle involved in such decisions and, under the conditions which prevailed fifteen or twenty years ago, these two considerations then marched fairly well abreast, but in the dislocation consequent upon the events of years which have intervened, this alignment, if not altogether lost, is not by

any means so apparent.

The Board is now upon the eve of a general investigation and inquiry concerning freight rates with certain well defined objects in view. If during this work the Board is confronted by the fact that sufficient income for the preservation and maintenance of railway property necessitates freight charges under which business may not be successfully carried on, the Board cannot content itself by ending its journey in an impasse, but rather in my opinion, by uncovering all the facts and conditions involved in this reference it may assist, to that extent, in finding a way out; and while the ultimate steps necessary to such an end may be outside the powers of this Board, yet the consideration of what is involved in this reference should, and I think will, help to show some of the things essential to that purpose. If the amount of railway revenue necessary to be raised in order to be fair and just to the railways from their standpoint, imposes upon business generally a burden which stifles industry and makes work unprofitable, an adjustment is necessary somewhere. The different sections of the country must be enabled to trade, to ship, to carry on business, and a series of schedules must be elaborated which will not fetter the country's industrial activity, but under which it can breathe and flourish. But if in order to deal with the railways in a just and reasonable way and to put them in possession of sufficient revenue to carry on business, having regard to all their obligations, it be shown that extraneous aid should be afforded, the decisive question will be whether such aid should be so provided, or the business of the country be injured and retarded. In the investigation now about to be carried on by the Board, many of the necessary facts will, I think, be disclosed with sufficient clearness to assist in a decision upon this matter. In the presumption that the two considerations above mentioned as being at the bottom of our rate structure are not now in line, it would seem that any relief to business conditions in the form of reduced railway rates must be accompanied by some provision for supplementing railway revenue or by some other action, for the loss of revenue involved in granting applications of this nature, is substantial. It is open to the Board to grant rates which will produce sufficient revenue for transportation companies, and subject to legislation it is to be presumed that the Board will be expected to continue such course unless their revenues are supplemented in some other way if that be necessary.

The Maritime Rates Bill (C. 44, 17 George V), enacted since the above in part recited judgment was delivered, to a very considerable degree illustrates and exemplifies the view above expressed.

What may be the result of the reduction in the rates on grain eastward over the National Transcontinental Railway to Canadian ports, remains to be seen after such rate has been put in and the traffic moved thereunder. In considering any loss in revenue thus occasioned, it must be remembered that such rates are being put in following the agreement made between the Government of Canada and the Grand Trunk Pacific Railway Company embodied in Chapter 71. 3 Edward VII, section 42, which provides that "the through rate on export traffic from the point of origin to the point of destination, shall at no time be greater via Canadian ports than via United States ports," etc.

VII

The investigation directed under the Order in Council instructs the Board to give particular attention to:—

- (a) The claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate basis which they enjoyed prior to 1919;
- (b) The encouragement of the movement of traffic through Canadian Ports;
- (c) The increased traffic westward and eastward through Pacific Coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama Canal.

A

As to the claim of the Maritime Provinces: In view of the passage of the Maritime Freight Rates Act, 1927, and its bearing upon that branch of the application dealing with the provinces of Nova Scotia, New Brunswick and Prince Edward Island, Mr. Duchemin, counsel for these provinces, on the 8th of April, 1927, made request to the Board that he be allowed to withdraw the Maritime case from the General Freight Rates Investigation, stating that to what extent his submission is affected by the legislation then pending would take some time, study and thought to ascertain. He further asked to be allowed to deal with what might remain of the Maritime case after the rates provided for in the Maritime Freight Rates Act should be published and in force, saying that such legislation would dispose of the major items in the submission.

This request was acceded to by the Board, and in consequence nothing remains to be said at present with reference to this branch of the investigation.

В

THE ENCOURAGEMENT OF THE MOVEMENT OF TRAFFIC THROUGH CANADIAN PORTS

The outstanding features of the discussion upon this subject is the diversion of a very large proportion of Canadian grown grain destined to European countries, from Canadian seaports to those within the United States. The attention of the Board has not been directed to any statistics showing such diversion as regards other traffic. The facts complained of with reference to grain are well known and have been many times established. The geographical position of that portion of Canada which produces the largest amount of grain is such that rival routes are presented. In harmony with the undeviating rules of trade, this product as well as others will seek its market by way of the easiest and cheapest route. It is not to be expected that the producers of grain or other articles will forego the largest return they can get by reason of the desire on the part of other sections of the country to handle their business. In consequence, the problem takes on the aspect of bringing about conditions under which Canadian seaports can secure and hold such business, and at the same time assure to those originating such traffic a return not less than can be secured by transit otherwise.

In order to bring about this result which is of highest importance to the nation, Canada has not scrupled to expend a very large amount of money in constructing a railway straight from the wheat fields of the west to Atlantic ports.

The Transcontinental Railway from Winnipeg to Quebec, Saint John and Halifax, was built at a cost, the justification for which rests upon the fact that it would secure to Canadian railways, Canadian ports, and ships sailing there-

from, both in summer and in winter, the carriage of millions of bushels available yearly for export. The expenditure of nearly \$200,000.000 for such purpose was entered upon after mature consideration and pursuant to a mandate from the people whose assent to such proposition involved consideration of the large benefits which it was hoped would enure to the nation at large, by reason of its being self sustained in this respect, and providing for the carriage of grain to the sea, both in summer and winter, a route which, as against all others, presents national advantages without in any way impairing the income of the western grain producer.

Chapter 71 of the Act, 3 Edward VII, respecting the construction of this railway, recited an agreement between His Majesty the King, of the First Part, and Sir Charles Rivers Wilson and others representing therein and acting on behalf of the Grand Trunk Pacific Railway Company, section 42 of which

declared as follows:-

It is hereby declared and agreed between the parties to this agreement that the aid herein provided for is granted by the Government of Canada for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels. The company accepts the aid on these conditions, and agrees that all freight originating on the line of the railway, or its branches, not specifically routed otherwise by the shipper, shall, when destined for points in Canada, be carried entirely on Canadian territory, or between Canadian inland ports, and that the through rate on export traffic from the point of origin to the point of destination shall at no time be greater via Canadian ports than via United States ports, and that all such traffic not specifically routed otherwise by the shipper, shall be carried to Canadian occan ports.

The character of the road so constructed at a cost of nearly \$200,000,000 is such as to furnish the least resistance to traffic, and in point of gradient and location is at no disadvantage in comparison with any other grain route.

From Winnipeg to Quebec, in almost a straight line, it covers a distance of 1,349 miles, which, it will be noticed, is shorter than from Winnipeg to Montreal, all rail.

Continuing to the eastern ports of Canada which are never closed, being open during the months when, unfortunately, Quebec and Montreal are closed by ice, it shows a distance of 1.826-5 miles from Winnipeg to Saint John, N.B., via Edmundston and McGivney Junction, and to Saint John, 1.895-1 miles via Edmundston and Moncton, and 1.994-6 miles from Winnipeg to Halifax via the latter route.

Of a total export of Canadian grain for the crop year 1925-1926, over 250.000.000 bushels went through eastern seaports. Canadian and United States. Of this amount considerably over half left Canada before it reached the ocean, over foreign railways and through foreign harbours. Now, it is to be noted with satisfaction that the port of Montreal stands up well in its efforts to handle the grain export trade. Last year's figures show that of Canadian grain shipped through Atlantic parts. Montreal handled 90.639.515 bushels and New York 97.605.100 bushels. To Quebec there fell a portion of about four million of bushels.

To enable any scaport to handle traffic of this nature, much outlay must be made, peculiarly and solely adapted to such business. And unless a harbour is compped for such purpose, it is futile to expect the trade to flow that way. The Harbour Commissioners of the city of Quebec have for years been agitating for a compliance with the conditions embodied in clause 42 of the agreement above referred to, and that a rate for the carriage of grain should be put in which would bear favourable comparison with that of any other scaport.

Quebec has an elevator capacity of two millions of bushels, while Montreal shows 13.560.000 bushels. It is thus seen that Montreal handled during last season over five times its elevator capacity, and it is therefore open to the

Quebec Harbour Commissioners to argue that Quebec was in a position to handle some ten or twelve millions of bushels with its present capacity, which is being enlarged.

West Saint John with an elevator capacity of 1,700,000 bushels handled

between fourteen and fifteen millions of bushels during the same period.

The port of Montreal is well served by rail and water, and nothing has been spared to equip it for the purposes which, through its Commission, are so well carried out. Both the Canadian National Railways and the Canadian

Pacific Railway Company assist this port in its work.

For its advancement in the way of grain export, Quebec must look to the National Transcontinental Railway and to the fulfilment of the objects for which it was constructed. The argument it puts forward is that it has no desire to withdraw from Montreal and portion of the business which is handled by the latter port, but the enormous excess which never reaches Montreal, but seeks exit through United States ports should be diverted via the National Transcontinental to Quebec, and handled there, and that rates put in under the agreement which formed a condition for the aid given by the Canadian

people to the railway, would effect such purpose.

It is claimed in opposition, that the channels of the grain trade are so well defined and protected that any such effort will not bring about the result aimed at by the Quebec Harbour Commission. That lowering transportation rates for the purpose indicated would immediately be met by a corresponding lowering on the part of those who now enjoy the trade sought to be diverted and the result would be a reversion to the status quo as far as concerns any division of the traffic. In view of the circumstances under which it is not only advisable but proper to put in rates in compliance with the construction agreement, no attention should, I think, be paid to a reply of this kind. It is the duty of those responsible for rate making to meet such rates at whatever figure

they may be put, as long as the statutory conditions operate.

The reasons which are relied upon to bring about a compliance with the submissions of the Harbour Commissioners of Quebec, once their validity be admitted, seem to me to inevitably force the conclusion that such rates must continue to that portion of the Atlantic seaboard which is accessible to vessels during the entire year. Under present conditions, perhaps litte grain can be expected to find its way to either Halifax or Saint John for shipment during the summer months, but after the close of navigation in the St. Lawrence the position is quite the reverse. These last named ports properly equipped can handle all the grain that shipping seeking such ports can carry. There can be no doubt that wherever, under reasonable circumstances, cargoes can be found, vessels will push their way. The theory that traffic must go only to those ports which ships frequent, and a diversion elsewhere will leave it without bottoms does not hold. The development of the port of Vancouver is a striking instance to the contrary.

That there are circumstances attaching to the use of Canadian Atlantic ports which, from the standpoint of Insurance, place them at a disadvantage with American ports, is a matter which should present only a temporary difficulty. More thorough investigation of the facts concerning such disparity of rates can be relied upon to reduce them to a minimum, if not to extinguish them altogether. It is not necessary to repeat the examination and analysis of this matter contained in the reasons for judgment of the Deputy Chief Commissioner. I am in accord with the views presented by him on this subject. The fact is that vessels seek many northern European ports carrying much greater risk than Saint John, Halifax, Quebec or Montreal present, and no disadvantage is attached to the latter voyages by those who control marine insurance.

While there is a grain elevator with a capacity of 500,000 bushels connected with the Canadian National Railways at Saint John, less than two millions went through it during the crop year 1925-1926. Something less than fifteen millions passed through the Canadian Pacific Railway Company's elevators, that year, at West Saint John, which have a total capacity of 1,700,000 bushels.

In addition to the Canadian grain finding its export at Saint John, United States grain passed through the Saint John elevators to the amount of 3,425,966 bushels. There was also an export of Canadian wheat flour through Saint John

totalling 662,440 barrels.

Saint John is the winter port of the Canadian Pacific Railway Company and by its initiative and enterprise, the import and export business of that port has been much assisted. In addition to the Canadian Pacific Steamship Lines which ply to this port, there are also regular sailings therefrom by:-

The Anchor Donaldson Line;

The Furness Withy Line;
The New Zealand Shipping Company's Line;

The Elder Dempster Line; The Head Line;

The Inter-Continental Transports Limited;

The Thomson Line;

The Scandinavian American Line; The Lloyd Mediterraneo Italian Service;

The Canadian Government Merchant Marine; and The Royal Mail Steam Packet Company's Line to the West Indies.

It will be noted that with the exception of the Canadian Pacific Steamship Lines, the vessels of the other companies are mainly freight carriers. From a consideration of what these latter can profitably do, there comes a conviction that the carriage of grain from Saint, John can be profitably carried on.

In its willingness and desire to serve such port, as well as in its own interest, the Canadian Pacific Railway Company has put a very low rate of transport on grain from the Georgian Bay ports to Saint John, namely 15:17 cents per 100 pounds, as against a rate of 14.34 cents per 100 pounds from the same ports to Montreal. That is to say, it carries this grain for export, a further distance of nearly 500 miles, namely from Montreal to Saint John, for a rate of a little less than one half cent per bushel. This, of course, must be regarded as a portion of a through rate. By doing this it maintains a grain rate to Saint John on the Buffalo-New York basis.

As far as the eastern cities of the Maritime Provinces are concerned, the Canadian Pacific Railway ends at Saint John. Its running rights to Halifax over the Canadian National were terminated some years ago.

In carrying out the desires expressed by the Quebec Harbour Commissioners, the Canadian National Railways are asked to follow the policy which has been for years carried on by the Canadian Pacific Railway Company with reference to Saint John, N.B.

From Winnipeg to Saint John, as above pointed out, the all-rail route carries a distance of 1,826 miles. The Canadian Pacific Railway Company's line carries a distance from Winnipeg to Saint John of 1,892 miles.

The determining factor of the grain rates called for in the agreement with the National Transcontinental Railway is, that such rates shall at no time be greater via Canadian ports than via United States ports. Consequently, it is unnecessary to analyze such rates on a per mile basis in the calculation. It would be difficult to justify them on any ground other than that of the agreement, unless it should enunciate and follow up a thoroughly Canadian policy involving the use of Canadian scaports by the carriage of grain products, as well as other traffic, thereto.

I am of opinion that in compliance with the Orders in Council, P.C. 886 and 24, the rates provided for in the agreement alluded to, should be put in at once over the Transcontinental Railway not only to Quebec, but to Saint John and Halifax as well.

It must be noted in connection with this discussion that a substantial portion of the United States grain finds its way to European markets via Canadian ports. The statistics filed during the investigation show exports of Canadian grain via United States ports, and exports of United States grain via Canadian ports for the calendar years 1923, 1924, 1925, and 1926, as follows:-

CANADIAN GRAIN VIA UNITED STATES PORTS

1022	Bushels
1923	144, 595, 138
1924	117 005 100
1925	107 111 005
1926	137,111,835
1926	121,619,456

UNITED STATES GRAIN VIA CANADIAN PORTS

1923	
1924	36,050,243
1924 1925	71,800,065
	56,986,806
1926	39,063,410

In view of the passage of the Maritime Freight Rates Act, those representing the Maritime Provinces at the investigation withdrew the submissions which had been filed, in order to study the effect of such legislation. It is, therefore, still open to them to give consideration to the special features touched upon above, as well as to any others they may present.

C

The increased traffic westward and eastward through Pacific coast ports owing to the expansion of trade with the Orient, and with the transportation of products through the Panama Canal.

Traffic Through Pacific Coast Ports

The rapid expansion of Canadian trade with China, Japan and Hong Kong has raised the Pacific Coast ports, especially that of Vancouver, to prominence.

Several exhibits disclosing instructive statements regarding traffic through Pacific ports were filed, the principal one being the Annual Statistical Report for 1926 of the Vancouver Merchants' Exchange. It is confined to shipments to and from the port of Vancouver, and consequently does not contain all the information as to western Canadian shipments. Statistics are exhibited therein for the years 1922 to 1926, inclusive, wherein is compiled a statement of the rade to the Orient in the most important commodities shipped in that direction.

There is shown a steady increase in lumber, from 84,610,015 ft. board

neasurement, in 1922, to 263,920,000 ft. in the year 1926.

The export of flour to the Orient increased from 315,480 barrels in 1922. o 795,831 barrels in 1926.

The export of wheat to the Orient also increased from 3,681,150 bushels in

.922, to 14,164,848 bushels in 1926.

Other substantial articles of export, such as canned fish, fish frozen, salted and cured, lead spelter, and apples, show a very valuable trade, although they xhibit no increase. But the comparison in each of the last named items of xport show that, although there is a decrease for the Orient in these articles, very substantial expansion, owing to the demand from other countries, has aken place.

The number of vessels and the tonnage in and out of Vancouver Harbour, uring the years 1924, 1925 and 1926, has steadily grown and while the record of port tonnage is much in favour of Montreal and San Francisco, typical ports on the Atlantic and Pacific, yet the number of individual vessels entering at Vancouver in the year 1926 was more than double the aggregate of those entering at the two ports just mentioned.

In 1925 and 1926, the value of Canadian exports to China, Hong Kong

and Japan was as follows:-

	To China	To Hong Kong	To Japan
1925 \$	7,838,187	\$1,709,739	\$22,046,486
1926			34,694,862

The value of the export trade from the same countries to Canada for the same year was as follows:—

	From China	From Hong Kong	From Japan
1925	\$2,529,880	\$1,829,869	\$6,985,056
1926	2,547,995	1,546,166	9,564,074

The list of Canadian commodities exported to the countries above named, indicates a wide demand for almost every variety of articles manufactured in Canada, but the most important are wheat and wheat products, figures concerning which have been given above. The favourable situation of the western Canadian ports with reference to the Oriental countries, gives Canada great advantage in this trade. If, as it is hoped and expected, consumption of wheat and flour can be increased among the population of these countries, an immense stimulus to wheat growing in the Canadian west will result. The already enlarging demand indicates steady progress in that direction, and the geographical position of the Canadian Northwest gives to Canada manifest

advantage in this line.

The result of the preparation which has already taken place for handling and shipping these products, as well as other cargoes to the cast, and the rapidly expanding volume of trade from the east through British Columbia ports, show the necessity of making the way easy for such traffic from the interior of Canada to the coast. The carriage of grain to Vancouver and Prince Rupert, and their equipment for its reception and rapid handling to ships, in alignment with our effective transportation system, promise an expansion of this business even greater than the last half dozen years reveal. During that period the export trade of Prince Rupert has more than doubled in value, for the year ending March 31, 1926, having reached the figures \$15,411,161. Later in the same year between five and six millions of bushels of wheat were shipped from that port.

Taking the record of the last five years' trade in wheat and flour between

Canada and China and Japan, the statistics show:-

EXPORTS OF GRAIN

	Whea	(bushels)	Flour (barrels)
	China	Japan	China	Japan
1922 1926	7,689,834	3,516,401 12,927,933	34,935 $1,182,054$	65,948 99,164
Т	OTAL TON	NAGE	CI.	-
1922 1926	**********	• • • • • • • • • • • • • • • • • • • •	China 3,494 348,900	Japan 112,086

It is unnecessary to dwell upon the significance of the above figures.

TRAFFIC VIA PANAMA CANAL

The Panama canal was opened to commercial traffic in August, 1914, but in consequence of disturbed national conditions, and scarcity of shipping, it

was of little importance to Canada until 1921, from which year a steadily increasing volume of traffic has served western Canadian ports through this

waterway.

Full figures from each of these Canadian ports were not presented to the Board, but those from Vancouver were carefully compiled in an exhibit filed by the Canadian National Railways and the Canadian Pacific Railway Company, and the cargo statistics in tons, from the calendar year 1921 to 1926, inclusive, show a steady expanding business being done at Vancouver via the Panama canal. The figures submitted are as follows:—

	Tons
1921	43,666
1922	64,455
1923	123,905
1924	150,317
1925. 1926.	178,547
1000	216 800

There will be observed an increase of over 21 per cent for the year 1926 over the preceding year.

As affecting trade from eastern to western Canada, the figures for 1924, 1925 and 1926 show traffic carried via the Panama canal in tons, as follows:—

	Tons
1924	25,637
1925	28,583
1926	35 025

From the eastern coast of the United States via the same route to Vancouver, the figures in tons are as follows:—

	Tons
1924	39,360
1925	38.344
1926.	43,614

The same exhibit shows cargo statistics for the years above mentioned from the east coast of the United States to the west coast of Canada, and vice versa, via the Panama canal, as follows:—

ATLANTIC TO PACIFIC, WESTBOUND

	Lons
1922.	. 88,408
1923	
1924	. 130,364
1925	. 178,110
1926	. 199,175

while from western Canada to the Atlantic, eastbound, the figures are:—

·	Tons
1922	159,921
1923	347,407
1924	356, 223
1925	501,623
1926	651,969

The total of these figures for each year indicates the traffic passing from the eastern coast of the United States to the western coast of Canada, and vice versa, and it shows the very substantial growth in five years, from 248,329 tons to 851,144 tons. This latter figure, representing traffic both ways is, nevertheless, less than 50 per cent of the European traffic via the same route, to and from western Canada, which, during the year 1926, totalled over two millions of tons, as against 1,771,069 in 1925.

For comparative purposes, these figures of traffic via Panama canal are so

instructive that it is well that they should be detailed.

In the year 1922, from Europe to the west coast of Canada, there were carried via Panama canal, 149,553 tons, and by the same route eastward from the west coast of Canada to European countries, 420,272 tons were carried.

In the year 1923, there were 230,331 tons carried to the west coast of Canada from the same sources, and 885,670 tons returned therefrom to European destination.

In the year 1924, there were 242,279 tons carried westbound, and 1,211,535

eastbound to European countries.

In the year 1925, there were 361,792 tons carried westbound, and 1,409,277 eastbound.

While last year, 1926, there were 377,446 tons carried westbound through the canal to western Canadian ports, and 1,681,663 tons made the journey in

the opposite direction.

All these figures of tonnage carried via the Panama canal, both from eastern Canada, eastern United States and Europe, to western Canada, and the other way from western Canada to the countries immediately above mentiond, exihibit an impressive and significant gain. They also demonstrate that a substantial amount of traffic that undoubtedly would have been carried by rail across Canada and across the United States has been diverted to the water route, indicating a changing condition of commerce, to which attention must be given.

A further statement submitted shows the sailings of Canadian Government Marine steamships from Montreal and Halifax to Vancouver via Panama canal since the inauguration of such service and the opening of navigation in the year

1924, thus:-

8 sailings in 1924. 11 sailings in 1925 9 sailings in 1926

The tonnage of such vessels aggregated for the respective years above mentioned, 19.032, 30.337, and 26,537 tons. Commodities carried therein were gathered from cities as far separated as Windsor, Ontario. and Marysville, New Brunswick. Steel and iron articles, canned goods, electrical fittings, beds and bedding, carbide, starch, alabastine, lawnmowers, seeds, glucose, paint, ammonia white lead, wire rope, wallboards, and plumbing materials bulked largely in the several shiploads.

It is also to be noted that the figures exhibited by the canal authorities are not to be regarded as completely showing the Canadian proportion of the canal traffic. Boats passing through, westbound, destined to the Pacific Coast United States ports, and containing freight for British Columbia ports, would be shown not to the west coast of Canada, but to the west coast of United States Also boats passing through, castbound, starting from Vancouver and filling out cargoes at Portland or San Francisco would be shown by the canal authorities

as from the last port from which the boat cleared.

VIII

From a consideration of all that is involved in the above discussion, I have arrived at the conclusion that the following features of the present freight rate system necessitate alteration in order to effect the establishment of a fair and reasonable rate structure which will in substantially similar circumstances and conditions be equal in its application to all persons and localities, and permit of the freest possible exchange of commodities between the various provinces and territories of the Dominion, and the expansion of its trade both foreign and domestic, namely:—

1. The export grain rates over the National Transcontinental to eastern Canadian seaports, from the point of origin to the point of destination should not be greater via Canadian ports than via United States ports

2. The mountain differential against the Pacific district should be abolished.

3. The western grain and flour rates to Fort William and Port Arthur should be equalized to the present Canadian Pacific main line basis of rates, which should be extended to all Canadian Pacific branch lines from point of equivalent mileage routings; and all other railway companies should be directed to adjust their grain and flour rates to Fort William and Port Arthur to the rates so put into effect by the Canadian Pacific Railway Company.

4. The town tariff rates directed in the judgment of the Western Rates Case as regards the Canadian Pacific Railway, should be made applic-

able to the Canadian National Railways.

As to the various individual applications submitted, the issues of which are not involved in the conclusions above expressed, the same will be disposed of in a schedule to be filed subsequently.

McLean, Assistant Chief Commissioner:

Ι

BRITISH COLUMBIA DIFFERENTIAL

In the decision in the Western Rates Case, the Mountain differential was reduced to basis of one and one-half to one. In the Board's decision of June 30, 1922, the mountain differential was reduced so that the rates of the new "Pacific" standard mileage tariff were to be constructed by applying to the prairie standard tariff, for distances up to and including 750 miles (the approximate maximum haul in British Columbia), a factor of one and one-quarter for one mile. Board's Judgments & Orders, Vol. XII, pp. 71, 72.

It was pointed out that the effect of the revision in the Western Rates Case had been to make a difference on the average of 30 per cent. This is brought about through the effect of the tapering on mileage groups. The differential under the decision of 1922 is computed as averaging about 16 per cent. This decision followed the principle laid down in the Western Rates Case. Application is now before the Board for the removal of the Mountain

differential.

In considering this application, it is necessary to direct attention to what is set out in the Western Rates Case. In that case, reference was made to the initial cost of construction on the Canadian Pacific lines in British Columbia being higher than existed on the prairies. It was also claimed that railway operation through the mountains was more expensive than operation through the prairies. The contention was before the Board that the "higher operating costs" of British Columbia should be "smeared" over the system so that British Columbia would have the same rates as those applying in the Prairie Provinces. Western Rates Case Decision, p. 51. The Board held that effect could not be given to this contention.

Reference was made to the higher operating expenses per mile of line on the British Columbia Division. In the section dealing with British Columbia passenger rates, the Report of the Board's Chief Traffic Officer pointed out the higher operating expenses per train mile on the British Columbia Division as compared with the Prairie Divisions. He stated that every class of expenditure was higher. The maintenance of way and structures was stated to cost practically double what the same class called for on the Prairie Division, either on the basis of the mile, the road, or of train mile; and that transporta-

tion expenses were much higher.

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In dealing with this phase of the matter, the following language was used

by the Chief Commissioner:-

While a parity of fares throughout the whole country is desirable, the exercise of the Board's jurisdiction in reducing rates cannot proceed on the isolated question of what would or would not be an advantageous rate for the public, apart from all references to the necessary expenses incurred in the service.—pp. 90-91 of Judgment.

This was with reference to passenger fares, but the reasoning is equally applicable to freight rates.

While reference was made throughout the Western Rates Case to the cost of construction per mile, the fundamental matter considered by the Board was

the operating cost.

As pointed out, the differential has been the subject of revision by the Board. The decision of the Board in the Western Rates Case, namely, that the excess in cost of operation on the British Columbia Division cannot be smeared over the other parts of the system, is fundamental; and what has to be faced in the present application is the question whether there has been such a change of conditions since 1922 as would justify a further reduction. If differences in cost of operation still continue; if the operating costs of the British Columbia Division still continue to be higher, then I regard the finding in the Western Rates Case, that this difference cannot be smeared over the whole system, as still controlling.

It is argued that the increased traffic of export grain by way of Vancouver and more recently Prince Rupert, is a factor of difference to be considered. In view of the fact that this grain is not subject to the mountain differential, it is not apparent just how this movement affords a conclusive argument in regard to the treatment which should be given over the mountains.

It was pointed out very strongly by counsel for Alberta that the mountain differential affected not only British Columbia but Alberta, and he urged that the justification, if any, of the continuance of the mountain differential was

based on cost of operation, not on cost of construction.

In exhibit F.H. 190 filed by the Canadian Pacific Railway, an estimate is given of Canadian Pacific traffic moving during 1925 within (a) Pacific territory; (b) between Pacific territory and the Prairie territory; and (c) between Pacific territory and Eastern territory. The summary given is to the effect that there was moving on class rates 8·3 per cent; on commodity rates reflecting the mountain differential, 6·4 percent; and on commodity rates which do not reflect the mountain differential, 85·3 per cent. That is to say, 14·7 per cent of the traffic was affected by the mountain differential. On the class rates, the full effect of the differential is felt; and in so far as commodity rates are built on a percentage of the class rates the effect of the differentials is carried down into the rate.

It is contended that the differential applies practically exclusively in the case of higher classed goods which are of higher value and, therefore, in better position to stand the rate. It is further contended that the reduction which the abolition of the mountain differential would bring about would mean a reduction in its entirety from the net revenue.

The analysis above set out is, as to the proportion effected by the mountain differential, in substantial agreement with the computation used by the Board

when the reduction in the differential was made in 1922.

A computation submitted in evidence by Mr. Neal, for the Canadian Pacific Railway, showed that the wage cost of hauling a train 100 miles, paying for engine, train crews, etc., on the Mountain rate was \$31.60 as compared with the Prairie rate of \$27. Evid. Vol. 496, p. 2130. The difference is approximately 17 per cent. There are employed 3.3 men per mile of line in the mountains as compared with 2.7 in the prairies. Neal, Evid. Vol. 496, p. 1988. This figures

out at a difference of approximately 22 per cent. The cost of maintenance per mile of line in British Columbia on the Canadian Pacific is submitted at \$118.37,

while the figure for the prairies is \$37.33.

The evidence submitted by Mr. Lloyd, for the Canadian Pacific Railway, as summarized, shows that on a five-year weighted average of costs directly allocated to districts, the British Columbia costs were higher than those of the prairies per mile of line by 19·28 per cent; that on the train mile, the costs were 23·18 per cent higher; on car miles, 54·62 per cent higher; and on gross ton miles, 43·69 per cent higher.

In the analyses submitted by the Canadian National, it is set out that in 1924 it cost on the prairies 5.99 mills to move a net ton one mile, while in British Columbia, in the same year, it cost 7.19 mills, or 20 per cent higher. In 1925, the Mountain cost was given as being 33\frac{1}{3} per cent higher than the Prairie Provinces. On the basis of the gross ton mile rate, British Columbia cost is shown in 1924 as being 17.6 per cent higher and in 1925 29.4 per cent higher. Evid. Vol. 510, p. 7788.

It was stated that on the prairies in 1924 the Canadian National handled 668 net tons in a train a distance of one mile at a cost of \$4.04, while in British Columbia it hauled 600 net tons in a train at a cost for one mile of \$4.31. In 1925, they hauled in the prairies 700 net tons per train, one mile, at \$3.82, while in British Columbia they hauled 587 net tons per train, one mile, at \$4.21.

Evid. Vol. 510, p. 7787.

In summarizing the position of the Canadian National, counsel, at Evid. Vol. 510, pp. 7822, 7823, submitted that maintenance of way and structures costs were heavier in British Columbia than on the prairies; that operating costs were also heavier; that the cost of moving grain westbound to Vancouver over the Canadian National is as much heavier as the total operating costs of two and one-half trains; and that in respect of the grain movement the empty haul was practically 100 per cent.

Reference in this connection was made to exhibit F.H. 221 setting out that for the years 1923 to 1926, inclusive, it cost 35.6 per cent more in British Columbia to maintain the railway's ways and structures, in so far as fixed maintenance was concerned, than on the prairies. This is a computation based

on a per mile of line basis.

As measuring conditions of operating cost, counsel for the Canadian National submitted exhibit F.H. 222. This is an exhibit which dealt with the question of the movement of grain both east and west. There was a given volume of tonnage, 1,000 cars; this tonnage to be handled in trains of same size and weight. Taking a 50 per cent engine from Biggar to Fort William, 1,000 cars of grain would be carried in 16·7 trains. For the Biggar-Vancouver distance, 19·6 trains would be required. This is approximately 18 per cent more. Taking the locomotives actually in service, it is computed that it would take 15·2 trains to handle traffic to Fort William and 25·6 trains to carry the traffic to Vancouver. Biggar is taken as being nearest to the point where the rates east and west meet. The mileage to Vancouver is approximately 75 miles greater.

In referring to the changed conditions which it was contended existed, reference was made to the factor of the grain trade. The effect of changed conditions, if any, in freight traffic may be measured to some extent by the relation between passenger gross ton miles and freight gross ton miles. Exhibit F.H. 121 filed by Counsel for the Province of British Columbia and based on material supplied by the Canadian Pacific Railway. See also in this connection

Vol. 489, p. 18226.

In 1921, the passenger gross ton mileage in British Columbia was 29.67 per cent as compared with the freight gross ton miles of 70.33 per cent. In 1925, the passenger gross ton miles had fallen to 25.45 per cent, while the freight

had risen to 74:55 per cent. There was an actual increase in passenger gross ton mileage. On these figures, however, it would appear that a change in percentage

of 4.2 per cent has taken place.

Another factor which is stressed as important is the question of empty car inovement. It is contended that the development of the grain movement for export via Western ports has to a great degree adjusted the discrepancies existing between the loaded and empty movements. The evidence of Mr. Neal is, in substance, that the large movement of grain to the Pacific does not coincide with the heavy eastbound movement. There is a certain amount of overlapping in the autumn and spring, when the lumber in the autumn is falling off and the grain starting; and similarly when the grain is falling off and the lumber is starting. Normally, the grain movement falls off very considerably from the month of March.

Exhibit F.H. 225 filed by the Canadian National Railways is relied upon by Counsel for the railway to show that "on the whole we practically haul east empty all the cars we haul westbound loaded with grain." Evid., Vol. 510,

p. 7822.

The Canadian Pacific, in exhibit F.H. 99, relies upon the analysis therein set out as showing that the percentage of empty loaded movement in the British Columbia district has actually increased since 1922. Exhibit 75 segregates the empty movement eastbound and westbound in British Columbia. While the westbound decreased 12 per cent, the loads increased 15 per cent; and while the loads westbound increased 170 per cent, the empties increased westbound 249 per cent. It was stated there was a slight improvement in the empty movement westbound. Evid. Vol. 509, p. 7536.

The Board's Chief Operating Officer, on direction, made a study of cost

detail presented, and the following report sets this out:-

Comparative Illustration for the Movement of Freight over the Mountain Subdivision, Revelstoke and Field, and the Prairie Subdivision, Alyth Yard, Calgary Terminal, to Medicine Hat, Eastbound.

A 210 per cent engine eastbound will handle 1,050 tons, Revelstoke to Golden, with the assistance of a pusher engine from Albert Canyon to Glacier, and, from Golden to Field, 1.108 tons with the assistance of a pusher engine from Golden to Leanehoil. On this subdivision, there are two controlling grades, one Albert Canyon to Glacier; the other, Golden to Leanchoil; and the tonnage chart shows an increase in tonnage from Beavermouth to Golden, and from Leanchoil to Field, but the trainload in actual operation is from Revelstoke to Golden without change of tonnage, and at Golden 58 tons can be added to each engine load. The mileage of the subdivision, Revelstoke to Field, is 125.7 miles. To haul the train through, the pusher engine has to make 38.8 miles Albert Canyon to Glacier and return. and 35.8 railes. Golden to Leanchoil and return, making the engine mileage in connection with getting this train over the subdivision 200.3 miles as against time-table distance of 125.7—excess engine mileage 74.6 miles.

A 210 per cent engine eastbound will handle from Alyth yard, Calgary Terminal, to Medicine Hat 2.709 tons, which can be handled with the assistance of a pusher engine from Suffield to Bowell, a distance of 11.3 miles, making the return journey of the pusher engine 22.6 miles; time-table mileage being 177.8 miles and pusher engine mileage 22.6 miles

makes the total mileage 200.4, or an excess engine mileage of 22.6 miles.

In regard to supervision in mountain territory as compared with prairie, I might point out that the Revelstoke Division totals 332.9 miles, being main line 254.5 and branch lines 78.4, being in charge of one superintendent, two trainmasters, one chief despatcher and two sets of despatchers of three each, the Mountain Subdivision being a portion of the Revelstoke Division. The Medicine Hat Division has a total of 949 miles, being 326 main line and 623 branch mile age, with one superintendent, two trainmasters, one chief despatcher, and two sets of despatchers of three each.

The above illustration figures out Revelstoke to Field gross ton mileage 134.330 per mine for the part of the superintendent, and the superintendent is the superintendent of the superintendent

train, 672 tons per engine mile, and 1.066 tons per train mile. Alyth Yard to Medicine Hat gross for mileage 481.660, 2.408 tons per engine mile and 2.705 tons per train mile, or an increased tonnage per engine mile Alyth Yard to Medicine Hat of 258.31 per cent, and per

train mile of 153.75 per cent.

In regard to supervision, the Medicine Hat Division has 54 per cent more mileage than the Revelstoke Division, or comparing the main line, exclusive of the branches in either case, the Medicine Hat Division has an increase of 28 per cent. Following the position laid down in the Western Rates Judgment, the matter of excess, if any, of operating cost is a criterion to be relied upon in connection with the mountain differential. The importance of the grain traffic and the readjustment it is claimed to have brought about in the matter of equalizing traffic movements so as to give a larger percentage of loads in both directions has been very strongly urged. The question here is what has been the effect of this movement upon the operating costs? Have the operating costs so changed as to justify the elimination of the mountain differential?

Under the decision in the Western Rates Judgment, the disparity in point of operating cost still existing is such as does not justify the Board in granting

the application for the removal of the differential.

Π

MAIN VS. BRANCH LINES

In his evidence, Vol. 498, p. 2819, Mr. Stephen, the traffic representative of the Canadian Pacific, said:

I submit that it is not unjust discrimination to carry a higher basis of specific rates from branch lines than from main line points, and this is the normal basis of rate structure, except where freight traffic is carried under a distance tariff, or under a tariff constructed with a distinct relationship to distance rates.

It was set out in evidence that all branch lines in Manitoba and Eastern Saskatchewan carry specific grain rates, and that this makes a mileage basis

impracticable.

In another connection Mr. Stephen used the following language:-

In the older province of Manitoba the grain rates to Fort William from practically all main line and branch line stations on the Canadian Pacific Railway are on the same basis. This is also true with respect to shipping points on the main line and branch lines of the Canadian Pacific Railway in the eastern or earlier settled sections of Saskatchewan, but here the grain rates to the head of the lakes are not based on distance but are "specific", and are strictly subject to competitive conditions, so much so that at the present time it would be impossible.

In exhibit F.H. 197, filed by the same witness, reference was made to the competitive conditions in Manitoba and eastern Saskatchewan, it being stated that the Canadian Pacific main line between Winnipeg and Moose Jaw is closely related to the Canadian Pacific branch lines and lines of other railways, running

not only from the east to the west but from the south to the north.

As pointed out in the reasons for judgment of the Chief Commissioner, imphasis was laid by Messrs. McEwen and Woods on the main line of the Canadian Pacific as a measure of the rates which it is contended should be tharged. The matter was dealt with in the presentation of Mr. McEwen, for the Province of Saskatchewan (Evid. Vol. 506, pp. 6277-6281, inclusive). He tated that the discrimination alleged to exist in the grain rates eastbound had dready been raised in the application which was originally filed by the Attorney Jeneral of the province of Saskatchewan, and was also referred to in the upplementary submission which Mr. McEwen had caused to be filed on behalf of that province. Reference was made to the joint telegram of Messrs. McEwen and Woods sent under date of September 23, 1925, in which the words "mileage cale" were used. In this connection the following language was used by Mr. IcEwen at pp. 6277-6278:—

It was apparently understood by our friends representing the railway companies that here was involved in this application the breaking up of all the present rates and an tempt to obtain a new scale of rates based on regular groups of mileage such as prevail in gular mileage scales. It is no doubt true that the telegram which Mr. Woods sent might are been open to that interpretation, but I do not think it was the intention of Mr. Woods at such a tariff should be constructed, and certainly no argument was ever advanced along

those lines either by Mr. Woods or myself at the hearing in February, 1926, or any evidence adduced at any time from which it could be inferred that that is what the provinces were

desiring.

All that we are seeking in this application is that whatever mileage groups may prevail on the main line of the Canadian Pacific Railway Company, whether regular or irregular, whether covering a blanket of 15 miles, or 20 miles or more, that the rates which are charged for the movement of grain or flour for any particular mileage on the C.P.R. be applied generally throughout the provinces of Saskatchewan and Alberta as they are to-day applied in the province of Manitoba.

As bearing upon the question of the mileage groups, Mr. Woods for the province of Alberta (Evid. Vol. 453, p. 2089) pointed out that the rates were quoted by mileage groups; and in this connection said:—

Well, gentlemen, I would like my friend Mr. Flintoft or my friend Mr. Fraser, or any one, to suggest to me any other way in which you can follow out that Act of Parliament when it comes to other railway lines than by saying, when it says "governed by" the conditions of that agreement, and that such rates, namely, the rates that are governed by the conditions, shall apply to all other lines, how can you apply them otherwise than by taking these same mileage groups on the other railways and saying, the same rate carries? If there is another kind of construction that may be suggested whereby this tribunal can administer that Act than by way of mileage groups on those railways, I would like to hear it, and would like it to be suggested to me now, because I have not been able even to imagine it.

In general, the position taken by the Canadian Pacific was that the Crowsnest rates on grain to Fort William were put in on an arbitrary basis, there being no uniformity in point of distance; and it was also contended that in Manitoba and eastern Saskatchewan competitive conditions arising from railways paralleling and questions relating to wagon hauls from points located between different lines of railway had a bearing upon the rates charged.

Mr. Neal, for the Canadian Pacific, pointed out extra factors of cost, which he claimed attached to the branch line movements. In answer to Mr. McEwen (Vol. 498, p. 2583) he said, repeating the evidence given in his direct examination, that the branch line was more of a pick-up or peddler car service than was the case on the main line. In summarizing the factors which he said caused greater expense on branch lines, he set out his position in Vol 496, p. 2018:—

Branch lines are said to be more expensive because there is more picking up or peddler service as compared with the main line. The trains stop at every station and switch off or take on ears. The density of traffic is less on branch lines, and they are not maintained to main line standards either as to bridges, or rails, or ballast. Therefore they cannot operate heavy loads. This means more enginemen, conductors, and trainmen and more wages and coal.

In comparing traffic as between the north and south, Mr. Stephen, for the Canadian Pacific, while emphasizing the greater ton mileage in the south, recognized, in Vol. 498, p. 2855, that in respect of originating business the north had a better average. It was contended that there were longer hauls on the northern branches in order to connect with the main line than was the case in the south, and that there were factors of extra cost as a result of this.

While Mr. Neal, of the Canadian Pacific, emphasizes, as has been indicated, the extra factors of cost in connection with branch lines as compared with main line traffic, some other features of his evidence are of value in this connection. In cross-examination by Mr. McEwen (Vol. 498, pp. 2583-2590), the following question was directed to him:—

Q. You really cannot differentiate between main lines and branch lines, because your main line is the main artery of traffic, but the main line must be nourished by the branch lines, and you must regard your system as a whole?—A. The system is built up as a whole, and co-ordinated as a whole. Q. And you must so regard it?—A. Yes.

Again, (Vol. 498, p. 2590), Mr. Neal was being cross-examined by Mr. McEwen. Mr. McEwen pointed out that in Vol. 496, p. 2150, the witness had said:—

I do not see how you can separate a system like the Canadian Pacific Railway into parts and say that this or that must stand by itself, because the thing is so co-ordinated in the transportation machinery that it is not possible to take it to pieces.

This question arose out of the question of Commissioner Oliver as to the expense of operating branch lines as part of the system, and Mr. Neal, in response to

Mr. McEwen, said the portion quoted above was a fair statement.

It is true that part of the evidence herein referred to has a bearing on the question of accounting, but it is of value as showing the necessary inter-relation between main and branch lines, and pointing out that the value of a particular line from the standpoint of traffic must be considered not only in terms of what it contributes to the main line, but also in terms of what it originates.

Exhibit F. H. 180, filed by Mr. McEwen, covering the elevator receipts of grain from 1920 to 1925, shows that in Saskatchewan, during the period in question, the receipts of grain on the Canadian Pacific main line were 89,972,620 bushels. On branches south of the main line 207,756,374. On branches north of

the main line, 267,392,769 bushels.

Exhibit 12 and also exhibit F. H. 198 set out detail concerning the bushels of wheat and coarse grains, as shown by elevator returns, per mile of line on the Canadian Pacific in Alberta for the crop years 1920 and 1923. This is differentiated as between the main line, and north and south of the main line. The detail as set out in analysis is as follows:—

Main line—	1920	Bushels
Other grain mile of line		17,331
		9,545
Other grain mile of line		20,030
		19,545
Other grain mile of line		21,335
		6,027
Main line—	1923	Bushels
Other grain mile of line		50,709 11,749
1 VOI til OI main me		,
Other gram mile of fine		50, 976 20, 477
South of main line-		20, 111
South of main line-		40,790 4,972

Mr. Stephen, in his evidence, Vol. 498, p. 2841, made a comparison between Manitoba, Saskatchewan, and Alberta north of the main line as compared with south of the main line. He set out that there were 3,409 miles north of the main line and 2,989 miles south of the main line. That is to say, about 17 per cent more mileage north of the main line. It is claimed that this greater mileage north results on an average in a lesser traffic density as compared with the main line and south branches.

In his evidence, Mr. Stephen, Vol. 498, pp. 2840-2841, shows for the year 1926, 1,787 miles of branches north of the main line in Saskatchewan, and 1,336.8 south of the main line, or approximately 33 per cent more branch line mileage

north of the main line than south.

In general, at least in the territory east of Moose Jaw, the rates on southern branch lines are cied up to the main line rates, while on northern branch lines there is a spread. In referring to differences in conditions north and south, it is pointed out, in exhibit F.H. 250, that wheat preponderates in the south and oats in the north. Exhibit F.H. 250 is an analysis filed by Mr. Fraser of exhibit 12, which in turn was filed by the province of Alberta. This shows 74 per cent of wheat in the south as against 47 per cent in the north. The oats are 19 per cent in the south and 47 per cent in the north.

Reference is made to the grains being coarser, and the lighter loading, with corresponding increase of cost. In 1926, the wheat loaded about 75,000

pounds to the car; the oats loaded 68,000, or approximately 10 per cent lighter loading. Barley is shown with a somewhat lighter load, but the amount involved is not large. As bearing upon the question of cost alleged to be tied up to this lighter loading, it is to be borne in mind that rates as between wheat and oats, for example, are not built up on a basis that the oat rate shall be higher because

the loading is lighter.

Reference is made to the fact that the Board has in various decisions recognized a distinction between main line and branch line rates. In the course of the hearing, decisions bearing on this were referred to. The British Columbia Coast Cities Case, 7 Can. Ry. Cas., 125, which was referred to, does not appear to be in point, because what really was involved was the principle that comparisons of distances are not in themselves conclusive. Reference was also made to Canadian Oil Co. vs. Grand Trunk Ry. Co., 12 Can. Ry. Cas., 356; and 14 Can. Ry. Cas., 201. What was involved here was, so far as mileage is concerned, the same position as in the Coast Cities Case.

In the Almonte Knitting Co. Case, 3 Can. Ry. Cas., 441, a distinction between main and branch line rates was involved. In Malkin & Sons vs. Grand Trunk, 8 Can. Ry. Cas., 183, the traffic concerned originated on the branch line: and it was held that there was an initial dissimilarity of circumstances until the junction point was reached.

Fredericton Board of Trade vs. Can. Pac. Ry. Co., 17 Can. Ry. Cas., 439, is a long and short haul case; and what is involved is not on all fours with

freight.

In Hanting-Merrett Co. vs. Can. Pac. Ry. Co. and British Columbia Electric Co., 20 Can. Ry. Cas., 181, there was reference to the Almonte Knitting Case. The matter, however, really turned on a comparison with the way in which the Board had directed orders in British Columbia by building up arbitraries over the basing rates.

In Two Creeks Grain Growers' Ass'n vs. Canadian Pacific Ry. Co., 18 Can. Ry. Cas., 403, it was held that points in the same mileage group, whether on main or on branch lines, should be treated in the same way. The points compared were Elkhorn and Two Creeks. On a movement west from Winnipeg to the two points, the distance is common to Virden. Elkhorn is 16.8 miles west of Virden on the main line. Two Creeks is 13.4 miles in a northwesterly direction from Virden, on the line extending from Virden to McAuley. This case was decided in 1915. Both these points fall within the mileage grouping from 190 to 200 miles, inclusive, of the Standard Freight Mileage Tariff.

In this case, the railway set out the following positions: The difference in rate was not discriminatory, the two points having nothing in common. The tonnage in and out of Two Creeks was insignificant. Two Creeks is on a branch line, while on the other hand Elkhorn is on the main line, where the cest of operating is lower and the density of tonnage and population much greater.

In the course of the recent hearings, Counsel for the Canadian Pacific, in referring to this decision, said (Vol. 510, p. 7602): "That the Board had held that such a difference was justified in the case of specific rates as distinguished from mileage rates." All that was said in the Judgment on this point, at p. 405, was: "While reference has been made to the difference in the density of traffic as between the main line and the branch line, the pertinency of this is not apparent when it is considered that what was involved was the general mileage scale."

Under the decisions, the question of main vs. branch line rates on grain and grain products may justifiably be looked at from the standpoint of common competition in a common market. In Dominion Millers' Assn. re Eastern

Ontario Milling in Transit Charge, judgment rendered October 3rd, 1917, the following language was used:-

Where the product of identical raw material-although the manufacturing is at different points moves in the same general direction to competition in a common market, the onus in connection with a complaint of undue preference is especially on the railway.

Continuing, at p. 9 of the judgment, the following language was used:-

The justifiability for difference in treatment in a common market of the flour from western grain moved by Bay and Lake ports, and thereafter milled in transit, as compared with flour milled from western grain and moved all rail, or by lake and rail, has not been established. There is discrimination, and Order should go against the Canadian Pacific for the establishment of the one-cent milling-in-transit charge on western grain ex-lake.

Mr. Stephen, for the Canadian Pacific, referred to Exhibit F.H. 167 as showing, from the standpoint of density of traffic, conditions which were less favourable on branch lines than on main lines, and also as showing conditions less favourable on northern branches than on southern branches. At first, he spoke of the density of traffic on the lines north and south, but he corrected this by saying that it was not density of traffic but density of tonnage which he was referring to. Exhibit F.H. 167 is a subdivision of gross ton miles as between the main line and the branch lines.

As already indicated, the northern lines are in a stronger position from the

standpoint of originating traffic than the southern lines.

In the Western Rates Case, at p. 51, it is pointed out that density of tonnage shows all traffic, irrespective of origin, while density of traffic deals with freight originating or delivered in a given territory. Further, in dealing with the question of density of tonnage, the following language is used:-

To treat the case, therefore, merely on the question of density of tonnage would be simply to use traffic derived in part from Saskatchewan itself as a reason for denying Saskatchewan the removal of a discrimination existing in the territory subject entirely to like operating conditions.

Here, what was involved was a reference to the effect on operating conditions in Manitoba of the traffic moving east from Saskatchewan and Alberta. The traffic from the branch lines to the north, for example, moves on to main lines, and to disregard the effect of this on the density of tonnage would be to

take the position which was negatived in the Western Rates Case.

Putting in summary form the position which has been developed—First: The railways pointed out that competitive conditions are active in the territory which may roughly be defined as being east of Moose Jaw. It is set out that here paralleling of railways and possibilities of wagon hauls necessitate the main line rates being extended to the branches. Second: Reference is made to the decisions of the Board with regard to branch line vs. main line rates. It seems to me that where a commodity of general demand produced in different sections is being shipped to a common competitive market, there is not the same justification for difference between main and branch line rates. It may be noted in this connection that, while the decision in the Two Creeks Case went on the matter of mileage grouping, the railway took the same position in regard to main vs. branch line rates which it has raised in connection with specific rates. Third: In respect of grain tonnage, the north shows up very favourably with the south, and both of these are in excess of the main line, showing the importance of the branch line traffic as feeder traffic to the main line, this in turn raising the question of the bearing this might be expected to have upon the rates of lines furnishing the feeder traffic.

While a statute should carry its own code of interpretation, there is authority for the position that where a statute is the outcome of the deliberation of a special committee, recourse may be had to the report of findings of the said committee in order to ascertain more clearly the significance of what is incor-

porated in the legislation.

The amending legislation of 1925, in regard to Crowsnest rates and their scope was preceded by P.C. 886, of June 5th, 1925, which used the following

language:-

The Committee are further of the opinion that as the production and export of grain and flour forms one of the chief assets of the Dominion, and in order to encourage the further development of the grain-growing provinces of the West, on which development the future of Canada in large measure depends, it is desirable that the maximum costs of the transportation of these products should be determined and known, and therefore are of opinion that the maximum established for rates on grain and flour as at present fixed under the Crowsnest Agreement should not be exceeded.

It is the intention of Parliament, as embodied in the amending legislation of 1925, that the Crowsnest rates on grain and flour should be applied within defined territory. The fact that Parliament made these rates of general applicability not only to the lines now in existence but also to those hereafter constructed, points out that Parliament hereby made a significant change in regard to one phase of rate regulation. For example, as to a railway hereafter constructed, it is not open to plead that the statutory rates are unreasonable, and such a railway is referred for its statutory maxima to rates applicable on another line built under different conditions of cost.

If subsection 6 of section 325 had not been passed, it would have been possible to say that two different sets of rates for comparable mileage groups, one being on a branch line and the other on a main line, were both Crowsnest rates and therefore undiscriminatory. Under such a condition a plea of discrimination as between the higher and the lower would have no standing, for both rates being brought about by the action of Parliament it could not be assumed that Parliament had created discriminatory rates. Re Crowsnest Pass

Rates, 30 Can. Ry. Cas. 27, at p. 47.

Having knowledge, however, of the decision of the Supreme Court, above referred to, Parliament indicated, in section 6, that the Crowsnest Pass legislation, or the agreement made and entered into pursuant thereto, could not excuse a charge of unjust discrimination. The Crowsnest rates now in force are

therefore subject to the inhibitions as to unjust discrimination.

Counsel for the Canadian National Railways points out that the rates operative on one line were not the necessary measure of the reasonableness of rates on another line. While authority in regard to the general position that one railway is not compelled to meet the rates of another is abundant, the

amending legislation of 1925 brings a new factor into the situation.

The record of the way in which the present legislation has been arrived at compels me to conclude that it was the intention of Parliament to put into force within a defined territory a uniform basis of rates, the basis being as low as possible. This was to be applicable except in so far as difference in condition justified a difference in treatment, which should be neither an unreasonable preference nor an unjust discrimination.

On the record, I am of opinion that railways have not justified the difference

in treatment existing between main lines and branch lines.

In the case of a higher rate for a given Canadian National main line mileage group, in comparison with the comparable mileage group on the Canadian Pacific, I am of opinion that the Canadian Pacific main line mileage rate group is controlling, unless a discrimination is shown not to be unjust. When the same question arises between the Canadian National main line and the branch lines thereof, the comparable main line mileage grouping of the Canadian Pacific is also controlling. I am of opinion that the onus as to disproof of unjust discrimination has not been successfully borne by the Canadian National.

The Crowsnest rates have not been built up on mileage, but on mileage groupings; and, therefore, in removing discrimination it should be by the installation of non-discriminatory rates in comparable mileage groupings, the groupings and rates existing in the Canadian Pacific main line being the measure.

III

DISTRIBUTING TARIFFS

Section 17 of the Board's decision in the Western Rates Case used the following language, p. 61:—

While it is beyond all question that, speaking generally, the rates ordered on one line control to a large extent the rates on other lines, and that it serves no useful purpose to prescribe rates only as against one carrier with the idea of assisting another; yet in so far as these distributing tariffs are concerned, in some instances the mileages of the Grand Trunk Pacific and the Canadian Northern are shorter than those of the Canadian Pacific; to the extent that these shorter mileages would enable either company to charge a lesser rate than that fixed for the Canadian Pacific, I am of the opinion that both companies should have the opportunity of doing business, if they so desire, at the longer mileage rates, and without regard to the competitive advantage which their shorter mileage would give them. These distributing rates, therefore, are made effective by this judgment only as against the Canadian Pacific.

In 1924, Mr. Chard, for the province of Alberta, raised the point of applying the order against the Canadian National as well. He contended that the Canadian National had adopted the basis of the order, using their correct mileage to exclusive points but basing their rates on Canadian Pacific longer mileages in the case of points which are reached by the Canadian Pacific. It was alleged that discrimination had existed in that districts other than those complaining in the application had enjoyed their actual mileage while the longer Canadian Pacific mileage had been imposed to competitive points.

In the submission at that time made on behalf of the railway, it was contended that conditions had not so changed since the decision of the Board in the Western Rates Case, as to justify making an order against the Canadian National. It was decided to let the matter stand over, to be considered with

the General Rates Investigation.

At the General Rates Investigation, the province of Saskatchewan brought the matter forward through the application of the Board of Trade of Prince Albert and also through the supplemental submission of the province of Saskatchewan which asked that the order made against the Canadian Pacific in the Western Rates Case, requiring them to put in a distributing tariff based on 85 per cent of the standard mileage, should be extended to the Canadian National as well.

The province of Alberta, in paragraph 6 of its submission, contended that unjust discrimination existed in respect of the town tariffs, the grounds advanced being on all fours with those already referred to in the 1924 application.

In the matter of *International Rates* Order issued July 6, 1907, which dealt with town tariffs, provision was made that the rates in all cases were to be based on the shortest workable mileage. The direction given in the Western Rates Case appears to me to have been a provisional one, dealing with railway conditions which were then in a state of readjustment.

On consideration, it seems to be justifiable that the order should go against

the Canadian National as well as against the Canadian Pacific.

IV

NATIONAL TRANSCONTINENTAL

The Quebec Harbour Commissioners, in their application of August 12. 1925, used the following language:—

"1. That the intention of parliament, as expressed in the Statute of 1904, in virtue of which \$180,000,000 of public money has been expended in building the Transcontinental Railway and the Quebec Bridge, namely.

to reduce the cost of carrying the products of the Prairie Provinces to Montreal, Quebec and Halifax and St. John for export, shall no longer be ignored, and that the rate upon export wheat and flour over the Transcontinental Railway, from Fort William or Armstrong to Montreal or Quebec, shall be reduced to 11 cents per bushel, which is the equivalent of 15 % cents per bushel, the rate (Crowsnest basis) at which it is now being carried 1,300 miles from Calgary to Fort William, and that the additional rate for winter export shipment, passing over the Quebec Bridge, to Halifax and St. John, shall not exceed the additional rate now charged for such service."

That is to say, the Board is asked to make applicable from Fort William or Armstrong east to Montreal or Quebec a rate on the Crowsnest basis. While reference was made to Montreal, that city did not join in the application.

The Quebec Harbour Commissioners, in a communication on file dated January 22, 1926, in reply to a letter from the Chairman of the Canadian Freight Association dated December 31, 1925, said: "We ask that the Crowsnest rates shall be applied between Fort William and Montreal." In a statement made by Mr. Cannon of Counsel for the Harbour Commissioners the following is set out at Evid. Vol. 462, p. 6520:—

All that we ask is that we should be treated all the way from Edmonton to Quebec as the railways are treating from Edmonton to Fort William.

Mr. St. Laurent, of Counsel for the Quebec Harbour Commissioners, stated that the 11-cent rate would be a fair equivalent to the Crowsnest rate. Mr. Cannon stated as follows, Evid. Vol. 511, pp. 81/2, 81/3:—

The Board has to endeavour, under the Order in Council, to equalize rates on a fair and reasonable basis which will be equal in its application to all persons and localities. Our contention is that the rates on grain under the Crowsnest Pass Agreement are prima facie fair and reasonable. They have been declared to be so by Act of Parliament and are to be kept in force under the law of 1925, and we submit to the Board that just on this matter of rates we feel that the conditions existing from the West to Fort William and Port Arthur and to Armstrong ought to be continued as a fair and reasonable rate down to Quebec and to the ocean ports in New Brunswick and Nova Scotia.

Commissioner Lawrence: That is, the Crowsnest rate from Armstrong down to Quebec. Mr. Cannon: That prima facie these rates must be considered as fair and reasonable as they have been in force under the statute for years past, and that unless it is fairly shown that they are not fair and reasonable the inference is in our favour that they are fair and reasonable, because they are actually in force.

In substance, his argument was that whatever the Crowsnest rates might be, operating under the jurisdiction granted them by Parliament, they afforded a general measure of reasonableness.

The method by which the 11-cent rate is computed was stated by Mr.

St. Laurent to be as follows:—

The Edmonton-Armstrong rate is 26 cents for the distance, and by multiplying 26 by 960 (that is the Armstrong distance) and dividing by the distance between Edmonton and Armstrong, you get nineteen and something as the proper rate per 100 pounds; that gives 11.7 cents per bushel, and I suggest that the decimal be dropped—Evid. Vol. 506, p. 6120.

It is stated that the decimal is dropped because of the longer haul. It is further stated by counsel that the rate is not being asked for from Fort William or Port Arthur. The application as launched had included Fort William.

While application is thus made for an extension of the Crowsnest basis to the Armstrong-Quebec mileage, it is not contended that this rate as applied

to this movement will of necessity yield any profit.

In the course of his argument, Mr. St. Laurent set out various comments on the testimony given by Mr. Mallory (*Lvid. Vol. 509, pp. 6091-6100, inclusive*). He contended that cost of maintenance of way and structures would be very slightly, if at all, increased by the additional grain traffic. General expenses

should, he stated, be omitted. The summary of his position in this regard will be found on p. 6100. He there set out that the amount which he thought properly chargeable was \$2.934 per train mile as against \$6.28 set out in Mr. Mallory's evidence. In quoting this figure of \$2.934, Mr. St. Laurent, at p. 6100, says: "I submit that this is a fair calculation of the actual expenses following a train."

At p. 6230, Evid. Vol. 461, he also stated in summary that if in order to start a movement over the National Transcontinental it was necessary "to take

a pioneer rate which shall not apply elsewhere" this should be done.

The Board is asked to act not under the Special Act but under the Railway Act. If what is invoked is the exercise of the Board's powers under the Railway Act in regard to applying the Crowsnest basis to the mileage involved, the question arises what powers are possessed by the Board?

Section 325 of the Railway Act, as amended in 1925 by 15-16 George V.

chap. 52, provides that.—

Notwithstanding anything in this subsection contained, rates on grain and flour shall, on and from the date of the passing of this Act, be governed by the provisions of the agreement made pursuant to chapter five of the statutes of Canada, 1897, but such rates shall apply to all such traffic moving from all points on all lines of railway west of Fort William to Fort William or Port Arthur over all lines now or hereafter constructed by any company subject to the jurisdiction of the Board.

The territory in which the Crowsnest rates are to be operative is specifically defined. It is concerned with grain and flour "moving from all points on all lines of railway west of Fort William to Fort William or Port Arthur . . ." Fort William and Port Arthur are on the eastern boundary of the special rate territory concerned. For tariff purposes, Armstrong has been given the same treatment.

The Board has no power to extend these statutory rates to points outside

of the territory so specifically defined.

Another phase of the matter is the intimation of counsel that the rates asked for may be regarded as "pioneer," that is, presumably, development rates. The Board is not empowered to put in "pioneer" rates which have in mind equalizing business costs of production, stimulating traffic in one section as compared with another, etc., etc. This is a phase of management which has not been given to the Board. Canadian China Clay Co. vs. G.T.R., C.P.R., and C.N.R., 18 Can. Ry. Cas., 347, at p. 348; Dominion Millers' Assn., Toronto Board of Trade and Montreal Corn Exchange vs. Canadian Freight Assn., 21

Can. Ry. Cas., 83, at p. 87.

The other phase of the matter referred to is the question of out-of-pocket costs. If rates are fixed on an out-of-pocket costs basis, other charges appertaining to railway operation must be borne by other commodities. There may be conditions under which a railway exercising its discretion carries goods that pay only out-of-pecket costs. It does this subject to such attack, if any, as may arise. It may do this with a view to develop business or on account of meeting competition; but for whatever reason it may so act it does so subject to such complaint as may arise under the Railway Act. The Board, in the absence of specific sanction or direction as embodied in law, is not empowered to make rates on the basis of out-of-pocket costs.

QUEBEC EXPORT RATES

In the application of the Quebec Harbour Commissioners dated August 12th. 1925, paragraph 3 of the formal application reads "that the rates from Georgian Bay and other Ontario points and from Chicago, upon grain, flour and other goods billed for export by ocean steamers at Quebec shall be the same as those upon similar goods sent for export to Montreal."

In the course of presentation, Vol. 461, p. 6013, the following amendment was made by Mr. Cannon: After the words "Georgian Bay" as set out in the first line, he added the word "Toronto," and he stated it was desired to limit this application to Toronto and other Ontario points west of Toronto and from Chicago so that rates "upon grain, flour and other goods, including cattle billed for export by ocean steamers at Quebec shall be made the same as upon similar goods sent for export to Montreal."

The argument related almost exclusively to the question of grain. It was pointed out that from Goderich, Kingston and Port McNicoll the rate to Montreal was 8.60 cents per bushel, while from the same points to Quebec, St. John, Halifax or Boston the rate was 9.10 cents, or a spread of one-half of 1 cent per

bushel

In Evid. Vol. 461, p. 6244, Mr. St. Laurent, on behalf of the applicants, contended that under P.C. Order No. 24, of January 7, 1926, the Board was requested to adopt such action as it may deem fit in order to ensure, as far as possible, a rate that will place the Capadian ports on the same footing as the American ports. While I am not pressing the point, it may be noted in passing that the application here is in reality to place Quebec on the same footing as Montreal. Continuing, Counsel said the only effective means of applying this ruling was to give Quebec, as a summer port for grain moving from the lakes, the same rates as apply from Montreal. He said ".....if there is any possibility of carrying out these instructions, it can only be done by flattening out the difference, not considerable.... one-half cent a bushel."

Reference was made to the decision of the Board in 1921—Complaint of the Harbour Commissioners of Quebec that export rates on grain from Georgian Bay ports to Quebec are on a higher basis than to the port of Montreal—Board's Judgments and Orders, Vol. XI, p. 185. In the judgment in question, it was stated that the distance from the bay ports to Montreal is 371 miles and to Quebec 532 miles, or 161 miles greater distance to Quebec than to Montreal. Reference was mucle in the decision to the argument that the Board would have the power to direct the railway companies to grant the same rates to both Montreal and Quebec. This was recognized: but it was also stated that the Board was directed by the Railway Act to grant to the railway companies just and reasonable rates; and Chief Commissioner Carvell, who gave the judgment, stated that he was at a loss to see how the Board could contend it was carrying out the law if the same rate were given to Quebec as to Montreal, notwithstanding the mileage spread.

Reference was made to the fact that Canadian railways carried grain to St. John at 1c. over the Montreal rate, a distance of 500 miles beyond Montreal, and that the same rate situation existed on the haul to Portland, 297 miles beyond Montreal. It was pointed out in the judgment that these rates were necessary in order to get the business for Canadian channels, and that if in the winter season the same rates were not given to St. John and Halifax as were granted to the ports of Portland, Bosten and New York the traffic would not move to the Canadian ports. Concluding, it was said that the conditions above set out do not exist as between the ports of Montreal and Quebec. The Board, therefore, failed to see how it "would be justified in enforcing the railway com-

panies to carry this grain 161 miles beyond Montreal absolutely free."

Mr. Flintoft, for the Canadian Pacific Railway Company, in the present application, pointed out that the distance Port McNicoll to Montreal was 371 miles and Quebec 532 miles; that is to say, the Port McNicoll to Quebec distance was 43 per cent greater; and it was contended that it would be unfair to disregard this in making the rate.

In Evid. Vol. 461, p. 6250, Mr. St. Laurent said that the contention brought in in 1921 was brought when the Board did not have the powers it now has. It

was pointed out that the Board then felt "that under the express direction of the Statute the rates were to be fair and reasonable to the railway companies, the railway companies could not be compelled to carry the additional 161 miles for nothing." It is claimed by counsel that the present Railway Act has been amended to provide for the routing of Canadian trade through Canadian ports, and that the Orders in Council asking the Board to adopt such means as would increase the volume of Canadian trade going through the Canadian ports and instructing the Board to investigate for the purpose of putting in force a new rate structure have done away with the binding force "of these previous

It is understood that it is the decision of 1921 which is especially referred Counsel continues that the previous decisions, while they may be cited as authoritties of reasons, were no longer binding authorities. There follows then the words: "We, therefore, say that this decision which was rendered in 1921 and which we are not disputing as authority at that time, must be distinguished from the situation which is before you at the present time." P. 6250.

In presenting the case, counsel stated that ocean rates from Montreal and Quebec were the same; that rates on imports are the same; that if one imports through Quebec for Toronto or west of Toronto there is the same rate. It was contended, further, that P.C. 24, above referred to, must have especially in contemplation the port of Quebec as a summer port. The spread of one-half cent per bushel between the grain rates of Montreal and Quebec was also referred to.

It is a fair summary of Mr. St. Laurent's presentation that exception is not taken to the decision of 1921, as the law was then admitted to stand. It is contended that there is a distinction because of change of law and because of the Order in Council. No reference is given to the change in the Railway Act upon which reliance is placed, nor am I able to find any. I take it what must be meant is the effect, if any, of the Order in Council in this respect.

Order in Council P.C. 24 which is relied upon in directing the Board to especially inquire into the causes of Canadian grain and other products being routed or diverted to other than Canadian ports sets out that the Board is "to take such effective action under the Railway Act, 1919, as the Board of Railway Commissioners for Canada may deem necessary to ensure, as far as possible, the routing of Canadian grain and other products through Canadian ports." powers to be exercised are specifically limited so as not to go beyond the scope of the legislation of 1919. In construing that legislation in so far as pertinent to the application dealt with in 1921, the Board held it was not justified in granting the application. The applicants recognize the binding force of the law as it then stood. The Order in Council is subject to the powers of the Board under the Railway Act of 1919; and I am, therefore, unable to see any difference which distinguishes the present case from that which was before the Board in 1921, or which justifies any different conclusion from that rendered in 1921.

VI

Board's Order No. 36769

In the reasons for judgment of the Chief Commissioner, the situation in respect of Order No. 36769 is developed. It is, therefore, not necessary for me

to make any extended comment.

In my judgment of December 17, 1925, the position was taken that Order No. 36769, of September 2, 1925, should be rescinded and that the subject matter involved might be dealt with as part of the General Rate Investigation. I was unable to agree that conditions had so changed as to justify the rescission of General Order No. 384, of October 10, 1923. With great respect to the Chief 62863-13

Commissioner, I was compelled to take the position that no such change in facts had been established as to justify the action taken; and I was, further, of the opinion that section 325 of the Railway Act, as amended in 1925, did not afford a justification for the amendment of the exxport rates west bound. As I then and now read the statute, it is exceedingly clear that subsection 5 of section 325 is limited in its scope to the movement eastbound to Fort William and Port Arthur, and that it does not apply to or govern the rates westbound to Vancouver. The wording is so clear that it would not seem necessary to emphasize this. It has been suggested that by implication the establishment of the reduced rates eastbound to the Head of the Lakes of necessity carries with it the application of these rates from the same or similar points of origin moving westbound to the Pacific. I think it is fair comment to say that the legislation was enacted by Parliament with a full knowledge of the situation; that it saw fit to limit the scope of the Crowsnest rates to the movement eastbound to the Head of the lakes; and that the silence of Parliament in respect of the rates westbound to the Pacific Coast affords no valid reason for assuming that it was the intention of Parliament that they should apply westbound on the same basis as eastbound.

There being an even division of opinion as between the members of the Board, Order No. 36769 was not rescinded. In connection with the application for the rescission of this order, and, also, in connection with a dispute over the interpretation of the Order in respect of the basis of rates on which the railways had filed their tariffs, the matters were gone into very carefully in the decision of the Deputy Chief Commissioner of December 19, 1925. This decision, which was concurred in by the Chief Commissioner and Mr. Commissioner Oliver in ruling against the rescission of Order No. 36769, at the same time set out that, pending a final investigation of all the matters involved, the existing rates should be continued in force until such time as the Board, as a result of further investigation, should otherwise order. This recommended action was concurred in in the judgment of Mr. Commissioner Boyce, dated December 30, 1925, which, in turn, was concurred in by Mr. Commissioner Lawrence.

The matter has been considered. I have given the matter the most careful consideration I am capable of; but I am forced to the conclusion that General Order No. 384 was a reasonable disposition on the facts and a justifiable one on the law. However, there is an even division of opinion in regard to the justifiability of Order No. 36769. The Order therefore stands; and it does not seem necessary to make any further comments on this phase of the matter.

The principle of the order having been adopted, it is, therefore, necessary to make clear that it is the readjusted basis eastbound to the Head of the Lakes which is now to be applicable westbound, and this is so provided for in General Order No. 448. The judgment of the Deputy Chief Commissioner sets out the reasons for the proviso in the Order as to the Edmonton mileage basis applying. I agree in the disposition so recommended.

VII

I agree in the rulings set out in the judgment of the Chief Commissioner in respect of the following matters:—

(a) Transcontinental rate scale;

(b) Terminal Tariffs;

(c) Different standard mileages, east and west;

(d) Domestic Grain rates to British Columbia. August 29, 1927.

THOMAS VIEN, K.C., Deputy Chief Commissioner:

RATES ON GRAIN AND FLOUR ON THE NATIONAL TRANSCONTINENTAL RAILWAY FROM ARMSTRONG, ETC.

Ι

The Quebec Harbour Commissioners (file 34123.13) submitted that the trade of the port of Quebec was suffering from unjust, unfair and discriminatory rates, by rail and by water, which prevented it from enjoying its fair share of the traffic of the Country; that although Quebec was 160 miles closer to the Atlantic and to Europe than Montreal, and although steamers running to Montreal incur a loss of two days' time, wages of crew, fuel, pilotage, extra marine insurance, etc., as compared with Quebec, ocean steamers charge to and from Quebec the same rates of freight and passage as they do to or from Montreal. On the other hand, the railways ignoring the custom under which they gave blanket rates to points differing in mileage, charge a higher rate from Ontario points to Quebec than to Montreal, upon goods shipped for export by steamers sailing from Quebec, though the extra charge upon western export goods from Montreal to Quebec, 160 miles, was often the same as from Montreal to Halifax, 840 miles.

They submitted further that by the construction of the Transcontinental Railway, the distance between Quebec and Winnipeg was reduced to 1,349 miles as compared with the distance of 1,417 miles between Winnipeg and Montreal via Canadian Pacific Railway.

They also alleged that the all-rail rate on flour and wheat for export is the same from Winnipeg and Fort William to Quebec and to Montreal, but it is fixed at such a high figure that it is prohibitive and it forces traffic into the lake route, at Fort William, and thence to Buffalo or the bay ports. A comparison of all-rail or lake and rail rates shows, at a glance, that the rates have been so framed as to prevent Quebec from getting its fair share of export trade.

They further alleged that in 1903, Parliament and the Country had undertaken the construction of a National Transcontinental Railway as a common railway highway across the Dominion of Canada, from ocean to ocean, wholly within the Canadian territory, to afford transportation facilities to help in the rapid development of the productiveness and trade of Canada, and to afford the carriage of Canadian traffic entirely on Canadian territory, at rates on export traffic from the point of origin to the point of destination at no time greater via Canadian ports than via United States ports.

They submit that the present rates instead of favouring the routing of traffic through Canadian channels do the very reverse and give an advantage of 9 cents per bushel to the New York route, the result being the diversion of a considerable amount of traffic originating in Canada to United States Atlantic sea ports.

Therefore they request:-

1. That the intention of Parliament, as expressed in 3 Edward VII, chapter 71, and the schedule thereto, for which millions of dollars of public money have been expended in building the National Transcontinental Railway and the Quebec Bridge, be no longer disregarded, and that the rate on export wheat and flour on the National Transcontinental Railway from Fort William or Armstrong to Quebec be reduced to 11 cents per bushel, namely approximately he equivalent of the present lake and rail rate from Fort William to New York, and that the through rate on export traffic from the point of origin to he point of destination be at no time greater via Canadian ports than via

United States ports, and that such traffic not specifically routed otherwise by the shipper be carried by the National Transcontinental Railways to Canadian ocean ports;

2. That the rates from Georgian bay, Toronto and points west of Toronto, on traffic shipped to Quebec for export, be the same as on traffic shipped from

the same points to Montreal for export.

II

The Quebec Harbour Commissioners' submission was supported by the city of Quebec, the provinces of Nova Scotia, New Brunswick, and Prince Edward Island, the province of Manitoba, the Cochrane Board of Trade, the Live Stock Producers of Canada, the Live Stock Exchange of Toronto, the provinces of Saskatchewan and Alberta and British Columbia. (Vol. 461, p. 6008 ct s). And at Vol. 461, p. 6021, Mr. Cannon, on behalf of the applicants, said:

We feel that we are presenting a case which is not of interest only to Quebec city, but one that concerns the whole of Canada; and we have already found that there seems to be a general consensus of opinion, not only in Quebec city, but all over Canada, in favour of the utilization of the Transcontinental railway for the purposes for which it was built; that is to say, the golden crop of wheat from the West should flow through Canadian channels, Canadian railways and Canadian ports.

III

Prior to the 20th of January, 1923, the Board of Railway Commissioners for Canada had no jurisdiction on the Canadian Government railways. Under 9 and 10, George V, chapter 13 (1919), section 13, the provisions of the Railway Act (except those inconsistent with this Act, and those relating to the location of lines of railway, the making and filing of plans and profiles, other than highway or railway crossings plans, and the taking or using of lands) were made applicable to the Canadian National Railways and its undertaking; and by section 14, it was provided that the provisions of the Railway Act respecting the operation of a railway (as distinguished from the provisions of such Act respecting the construction or maintenance of a railway) would apply to such of the Canadian Government railways as would but for the passing of such Act be subject to the Government Railways Act, during such time as the operation and management thereof is entrusted to the Canadian National Railway Company under the provisions of the said Act. And by section 11, it was provided that the Governor in Council could, by Order in Council, entrust the Canadian National Railway Company with the management and operation of any railway, property or works vested in His Majesty.

On the 20th of January, 1923, by Order in Council P.C. 115, the above quoted provisions of the Act of 1919 were made operative, and the management and operation of the Intercolonial Railway, the National Transcontinental Railway, the Lake Superior Branch, leased from the Grand Trunk Pacific Railway Company, and other lines were entrusted to the Canadian National Railway Company. Since then, but since then only, this Board has full jurisdiction to determine the rates and tolls to be collected on the National Transcontinental Railway and on any other Canadian Government Railway lines.

This matter came up incidentally before the Board in 1921, at a hearing at Quebec (Record, Vol. 354, pp. 2656 et s. and particularly at page 2761). The then Chief Commissioner, the late Hon. Frank Carvel, sympathized with the views urged by the applicants, and regretted his lack of jurisdiction in the matter.

TV

The request of the Quebec Harbour Commissioners is complex, of farreaching effect, and of nation wide importance. Fully to appreciate what is involved, it will be necessary briefly to summarize the genesis and the history of the National Transcontinental Railway.

Its construction was authorized by 3 Edward VII, chapter 71 (1903). At the same session, by 3 Edward VII, chapter 122, the Grank Trunk Pacific Railway Company was incorporated. An agreement had been entered into between the promoters of the Grand Trunk Pacific Railway Company and the Canadian Government. By 3 Edward VII, chapter 71, section 2, the agreement was ratified, and confirmed, and declared legally binding upon His Majesty and the company who were authorized and empowered to do whatever was necessary in order to give full effect to the agreement and to the provisions of the Act.

The preamble read as follows:—

Whereas, having regard to the growth of population and the rapid development of the production and trade of Manitoba and the Northwest Territories, and to the great area of fertile and productive land in all the provinces and territories as yet without railway facilities, and to the rapidly expanding trade and commerce of the Dominion, it is in the interest of Canada that a line of railway, designed to secure the most direct and economical inter-change of traffic between Eastern Canada and the provinces and territories west of the great lakes, to open up and develop the northern zone of the Dominion, to promote the internal and foreign trade of Canada, and to develop commerce through Canadian ports, should be constructed and operated as a common railway highway across the Dominion, from ocean to ocean, and wholly within Canadian territory.

Therefore this agreement witnesseth, etc.....

Then followed provisions for the construction of the Eastern Division from Moneton to Winnipeg by the National Transcontinental Railway Commission, and of the Western Division, from Winnipeg to the Pacific coast, by the Grand Trunk Pacific Railway Company, and for the lease of the Eastern division to the company, and the operation of the whole system as a unit.

It was also provided that the Government would guarantee bond issues of the Grand Trunk Pacific Railway Company secured by mortgages, as therein

defined.

Sections 42 and 43 of the agreement read as follows:—

42. It is hereby declared and agreed between the parties to this Conditions agreement that the aid therein provided for is granted by the Gov- of aid by Government. ernment of Canada for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels. The Company accepts the aid on these conditions, and agrees that all freight originating on the line of the railway, or its branches, not specifically routed otherwise by the shipper, shall, when destined for points in Canada, be carried entirely Preference to on Canadian territory, or between Canadian inland ports, and that Canadian ports. the through rate on export traffic from the point of origin to the point of destination shall at no time be greater via Canadian ports than via United States ports, and that all such traffic, not specifically routed otherwise by the shipper, shall be carried to Canadian ocean ports.

43. The company further agrees that it shall not, in any matter Company to within its power, directly or indirectly advise or encourage the transportation of such freight by routes other than those above provided, Canadian but shall, in all respects, in good faith, use its utmost endeavours to channels. fulfil the conditions upon which public aid is granted, namely—the development of trade through Canadian channels and Canadian ocean ports.

Section 45 also provided as follows:—

Shipping facilities en Atlantic and Pacific.

45. The company shall arrange for and provide, either by purchase, charter or otherwise, shipping connections upon both the Atlantic and Pacific oceans sufficient in tonnage and in number of sailings to take care of and transport all its traffic, both inward and outward, at such ocean ports within Canada, upon the said line of railway, or upon the line of the Intercolonial Railway, as may be agreed upon from time to time, and the Company shall not divert, or, so far as it can lawfully prevent, permit to be diverted to ports outside of Canada any traffic which it can lawfully influence or control, upon the ground that there is not a sufficient amount of shipping to transport such traffic from or to such Canadian ocean ports.

Traffic not to be diverted at of Carrela.

This language already very clear, became superabundantly so by the discussion which followed in the House of Commons, as it appears at Hansard of 1903, more specially at pages 7658 to 7699, and 8806 and 8807.

VI

The Eastern division from Moncton to Winnipeg was constructed, and until completed, operated by the Transcontinental Railway Commission. The maximum virtual gradients between Quebec and Winnipeg, on eastbound traffic does not exceed four-tenths of one per cent, as compared with maximum virtual gradients of one per cent on other lines between Winnipeg and Montreal, and particularly in the Lake Superior division. Curvatures were also avoided as much as possible, and modern freight engines can haul eastbound, from Winnipeg to Quebec, about 2,052 tons of freight.

The construction was commenced in 1904-05. The operation of the railway from Moneton to Edmundston began on or about January 13, 1913. The following year operation was extended to what is now known as Diamond

Junction (Levis, P.Q.).

C. 43 of the Statutes of 1914 provided that, "notwithstanding anything in the Transcontinental Act, the Minister of Railways and Canals be eligible to be appointed, and to exercise the powers, and discharge the duties of the Transcontinental Commissioners; and that, after the Eastern Division was completed, and until it was leased to the company, the said Eastern Division should be under the control and management of the Minister of Railways and Canals, who should have power to operate the whole, or any part, of the said Division as a Government railway, under the provisions of the Government Railways' Act. 1906, chapter 36." This Act is still in force. After 1914, the operation of the National Transcontinental Railway was entrusted to the managers of the Canadian Government Railways, who are, since the 20th of January, 1923, the directors of the Canadian National Railway Company.

The Grand Trunk Pacific Railway Company was requested by letter from the then Minister of Railways (Hon. Mr. Cochrane), dated January 13, 1913, to enter into the necessary conferences with a view to the taking over of the railway as provided in the agreement. This, the company refused to do, breadly upon the ground that the line had not been completed in accordance

with the provisions of the agreement.

The National Transcontinental Act was amended by chapter 18 of the Statutes of 1915, giving power to the Minister of Railways to lease or otherwise acquire portion of the Grand Trunk Pacific Railway known as the Lake Superior Branch, from Lake Superior Junction to the city of Fort William, Ont., including terminal facilities and accommodation works, and making the Government Railways Act applicable to any line of railway, leased or acquired under that Act.

The Grand Trunk Pacific railway system went into the hands of a Receiver, and by Order in Council. P.C. 517, of the 7th of March, 1919, and Order, P.C. 447, of the 13th of March, 1919, ratified and confirmed by 9-10 George V, chapter 22, the Minister of Railways and Canals was appointed government Receiver, and acted in that capacity until the 27th of May, 1927, when, by Order in Council, P.C. 1011, the receivership was ended and the Grand Trunk Pacific Railway Company resumed its normal legal existence.

Since the 12th of July, 1920, by virtue of Order in Council, P.C. 1595, the management of the Grand Trunk Pacific Railway Company has been entrusted

to the directors of the C.N.R.

VII

To March 31, 1926, Canada had spent for the National Transcontinental Railway \$169.294.876.56, and for the Quebec Bridge, a necessary incident of the system, \$21,706,664.49. (Annual report, Department of Railways and Canals for the year ending March 31, 1926, p. 82.) There had also been advanced, in assistance to the Grand Trunk Pacific Railway Company, the sum of \$129,972,139.79, made up as follows:—

Loans during receivership (to 31/3/27)	33 093 333 93
Total	129, 972, 139, 79

The country has therefore invested the sum of \$310.974,680.84 for the purposes of the Acts of Parliament above mentioned and the agreements made pursuant thereto, namely: "for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels, and to secure a through rate on export traffic from the point of origin to the point of destination, at no time greater via Canadian ports than via United States ports." (3 Edward VII, chapter 71, schedule section 42.)

VIII

The object of the National Transcontinental Railway and its physical conditions being as stated, and compensation having been paid in advance with a view to securing low rates, it was neither unfair nor unreasonable to expect that such rates would be published as would encourage the transportation of Canadian trade through Canadian channels.

Yet the present rates on wheat on the Transcontinental Railway from Armstrong to Quebec, are as follows:—

In cts. In cts. per 100 lbs. per bushel $34\frac{1}{2}$ 207

As compared with rates from Fort William to Buffalo and New York, as follows:—

	In cts. per 100 lbs.	In cts. per bushel
Fort William to Buffalo (lake). Buffalo to New York (rail).	· 0461 · 1517	· 0276 · 0910
Total	\$0.1978	\$0.1186

This comparison shows at a glance that the present rate structure gives an advantage of nine cents per bushel to the New York route.

Rates on wheat on the National Transcontinental from Armstrong to Quebec were also compared with rates for similar mileage west of Armstrong, as follows:—

	Miles	per 100 lbs.	per bushel
Calgary to Fort William	1,242	-26	· 156
Saskatoon to Fort William	900	• 24	· 144
Armstrong to Quebec	957	$\cdot 34\frac{1}{2}$	-207

The rates on grain and flour to Fort William are governed by the provisions of the Crowsnest Pass Agreement Act, as amended by 15-16 George V. chapter 52, section 3 (1925). These provisions do not apply east of Fort William, but the figures quoted show that, on the National Transcontinental Railway, the rates on grain are raised abruptly at Armstrong and act as a barrier to prevent traffic from moving east thereof.

IX

The results are reflected in the following figures from the Dominion Bureau of Statistics, giving the movement of wheat from Canada for export, via United States and via Canadian channels:—

CANADIAN WHEAT exported from Canada to Overseas Countries during the Calendar Years 1924, 1925 and 1926, showing portions exported (a) Via United States Channels, and (b) Via Canadian Sea and River Ports:—

Calendar Years	(a) Via United States Channels		(b) Via Canadian Sea and River Ports	
	Bushels	% of Total	Bushels	% of Total
1924. 1925. 1928.	92,340,767 129,688,215 127,354,641	44·1 60·8 52·6	116,620,795 83,695,777 114,578,214	55·9 39·2 47·4

Note.—During these three calendar years a large amount of Canadian wheat exported from Fort William and Port Arthur to overseas countries via the United States, has been re-routed from United States take ports via the St. Lawrence canals for shipment at Montreal, as follows:—

	Bushels
1924	 16,645,000
1925	 17,779,000
1926	 15,794,000

Adjustment should be made, in order to find the quantity of Canadian wheat shipped during that period (a) via United States channels, and (b) via Canadian sea and river ports, as follows:—

Calendar Years	(a) Via United States Channels		(b) Via Canadian Sea and River Ports	
	Bushels	% of Total	Bushels	% of Total
1924	75,695,767 111,909,215 111,560,641	36·2 52·4 46·1	133, 265, 795 101, 474, 777 131, 372, 214	63·8 47·6 53·9

Statistics of former years are less favourable.

X

It is therefore obvious that these rates shut off Canadian rail competition at Fort William, and force the traffic into lake vessels, which largely favour Buffalo and New York because of the return eargo (coal, iron ores, etc.) available for them at Buffalo but not at Canadian bay ports.

Canadian ports, elevators, railways, terminals and shipping interests lost millions of dollars annually to their American competitors who thus secured a considerable amount of our Canadian trade.

No reasonable surprise can be entertained at the keen disappointment of the Prairies, Quebec and the Maritime Provinces, when they saw their most legitimate and sanguine expectations unfulfilled, and the aims and purposes of Parliament, twice endorsed by the people of Canada in general elections (1904-1908), nullified.

IX

Various interests injuriously affected repeated their efforts to secure redress. In 1913, the Boards of Trade of Quebec, St. John and Halifax urged the government to equip their harbours with proper terminal facilities, and to publish on the Transcontinental railway a rate on grain and flour for export that would enable the traffic to move thereon. The Hon. Mr. Cochrane, then Minister of Railways and Canals, went to Quebec, and was so much impressed that he promised the necessary financial assistance to equip the harbour with an elevator of a capacity of 10,000,000 bushels. He partly redeemed his promise with an elevator of a capacity of 2,000,000 bushels, and later Parliament voted large sums of money for extensive harbour improvements at Quebec, St. John and Halifax.

In 1921, the Quebec Harbour Commissioners appeared before this Board and requested the lowering of the rate on grain and flour on the Transcortinental Railway. The Board, then, had no jurisdiction on the Canadian Government or the Canadian National Railways.

In 1922, a special committee of the Senate was selected to inquire into the causes of the diversion to the United States sea ports of the Canadian western grain for export. The conclusions arrived at were as follows:—

Your committee feel that it is their duty to report that they recommend that the petition of the Quebec Board of Trade, as stated in the Memorial of that Board to the Railway Commission, dated February 3, 1921, hereto attached, be granted, and that the Government be advised:—

(1) To cause rates to be granted upon export grain over the Canadian National Railways to Quebec, Montreal, Halifax, St. John and Vancouver, such as would develop trade through the above ports.

(2) As a corollary to the recommendation in paragraph 1 that necessary elevator accommodation should be provided by the Dominion at Canadian ports.

(3) To arrange with the Marine underwriters or others in such a way that the marine insurance rates from Canadian seaports be as cheap as from United States seaports.

In 1923, the Government appointed a Royal Commission to inquire into and report upon the subject of the handling and marketing of grain in Canada, and other questions incidental to buying, selling, and transporting grain. The Royal Commission made its report on the 7th of January, 1925, and attached thereto a special report made at the request of the Royal Commissioners, by one of their members, Mr. James Guthrie Scott, of Quebec. The findings of the Commission are at page 148 of their report, and read in part as follows:—

The Board of Railway Commissioners for Canada is the permanent competent tribunal to which all demands for specific increases and decreases of freight rates may be made, and from which definite rulings may be obtained. In addition to this, we are aware of the fact that the whole structure of freight rates in Canada will probably be examined in the near future by the authority of Parliament, with a view to effecting a readjustment more satisfactory to Canadians of the different parts of Canada than the situation which now exists. We venture to state that in the course of our investigation we have heard enough to convince us of the urgent necessity of such a step being taken.

vince us of the urgent necessity of such a step being taken.

In making these last remarks, however, we do so subject to this important qualification. Mr. J. G. Scott of Quebec, one of the members of this Commission, is himself a railway expert of long experience, both as a railway builder and railway manager; and among other things he has the experience of having handled export grain from Parry Sound to Quebec. Mr. Scott gave evidence before the Senate Committee of 1922, above referred to.

Mr. Scott, as a result of his own experience and expert knowledge, disagrees with the views expressed by Mr. Dalrymple. Moreover he has certain specific recommendations to make concerning the transportation of the western grain crop at a much lower rate than now prevails. While the other members of the Commission feel themselves bound by the limitation above referred to, they have requested Mr. Scott to state his own views in the form of a memorandum to be submitted to the Government with this report. Mr. Scott has prepared his memorandum, and we have pleasure in handing it in, in order that it may receive the attention of the Government and of Parliament.

IIX

It is in these circumstances that, on the 5th of June, 1925, Order in Council P.C. 886 issued, directing this Board to make a thorough investigation of the rate structure of railways and railway companies subject to the jurisdiction of Parhament, with a view to the establishment of a fair and reasonable rate structure which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade, both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and particularly to the encouragement of the movement of traffic through Canadian ports.

On the 7th of January, 1926, by Order in Council P.C. 24, this Board was further directed, as a part of the general rate investigation above referred to, especially to inquire into the causes of Canadian grain and other products being routed or diverted to other than Canadian ports, and to take such effective action, under the Railway Act, 1919, as the Board may deem necessary to insure, as far as possible, the routing of Canadian grain and other products through Canadian grain gra

dian ports.

The Board complied with these directions and, after due notice, during 113 sitting days, held preliminary hearings throughout Canada, and a final hearing at Ottawa, during which all interested parties had a full opportunity of putting on record evidence and argument pertinent to the issue.

XIII

The submission of the Quebec Harbour Commissioners has already been outlined. In opposition thereto, the Canadian National and the Canadian Pacific railways submitted that the suggested reduction in rates on the National Transcontinental Railway is impracticable because,—

1. Such a reduction would be met by equivalent reductions on American lines and on other lines from the bay ports to the seaboard, leaving Quebec, for

instance, in the same relative position;

2. The diversion of Canadian grain and other products to American Atlantic ports was not due to Canadian Railway rates, but to a combination of factors, the most important of which was perhaps the supply of ocean tonnage;

3. Large wheat exporters favoured Fort William and Buffalo because of their strategical position—wheat stored there being available to supply the demand either from inland flour mills or from various European points of destination, for which sailings are available on the American Atlantic seaboard, but not on the St. Lawrence;

4. American Atlantic seaports possess three general advantages:

(a) Vessels come to them from all ports of Europe, and there are frequent sailings to these ports. Grain is an excellent basic cargo for which liners will quote a favourable ocean rate;

(b) Tramp vessels seeking charters lie off Norfolk, within convenient call

of any American Atlantic ports;

(c) Insurance rate is higher on hulls and cargoes out of Montreal than

5. Outside of the Canadian wheat pool, the majority of exporters are located in New York where they are in close touch with the steamships and at a better advantage for financial arrangements.

XIV

The testimonial and documentary evidence adduced by the railways can be summarized as follows:—

Since 1914 a considerable growth in liner and decline in tramp transportation have taken place, mainly due to an increasing tendency towards the consolidation of transportation facilities and their financial control. Formerly tramp vessels were effective competitors, particularly in the carriage of seasonable or bulk commodities. Liner companies have much more rapidly adapted themselves to the present day requirements of the trade in increasing the size and speed of their ships, adopting motor ships and substituting oil for coal as fuel. Tramps, with less capital, were unable to keep abreast with these improvements, and lost much of their former power in the regulation of ocean rates, whilst steamship conferences of liner organizations acquired greater authority.

In 1925, sailings of liners carrying grain from United States Atlantic ports to European points of destination numbered 3.826, including 1,515 sailings to United Kingdom ports, and 1,071 to Antwerp. Amsterdam, Rotterdam, Bremen and Hamburg, namely 2,586 sailings in all requiring annually approximately 117,000,000 bushels of grain. The grain requirements of the 1,240 other sailings of liners to France, Baltic ports, Norway and Sweden could not be ascertained accurately, but it is safe to assume, it is submitted, that they took in the neighbourhood of 60,000,000 bushels. In other words, the regular steamship lines trading from the United States ports required 175,000,000 bushels

of grain in that year.

During the same period liners sailing from Montreal, Quebec and St. John were as follows:—

10 Northern Continental ports	Ports. 49	5
Total	69	1

This immensely greater amount of ocean liner tonnage operating out of American ports would necessarily make rates to attract grain through Buffalo to meet their requirements. The United States railway lines would co-operate and maintain rates that would insure the movement over their lines of sufficient grain to meet the requirements of the ports which they serve. It is therefore manifest that a rail rate reduction on grain to Canadian ports would not attract the traffic to them nor change the relative situation. It would simply reduce the earnings of the Canadian rail carriers who are compelled to move a large volume of grain to St. John and Halifax during the winter months.

XV

These arguments are not new. They were strongly urged, with many others, in 1903 when 3 Edward VII, chapter 71 was enacted, and they were repeated at every rate inquiry held since: before this Board at Quebec in 1921, before the Railway Transportation Costs Committee of the House of Commons, in 1922, before the Special Committee of the Senate, also in 1922, before the Royal Grain Commission, in 1924, and before this Board in Vancouver and Victoria in the fall of 1924.

Parliament, however, was not disturbed, and it is with a full knowledge of all these facts that a provision was included as section 45 of the agreement attached as a schedule to the National Transcontinental Railway Act, providing that the railway company should not divert the traffic or, so far as it may legally prevent it, permit the traffic to be diverted to ports outside of Canada, upon the ground that there is not a sufficient amount of shipping to transport such traffic from or to such Canadian ocean ports.

It is quite obvious that grain, as other traffic, will follow the line of least resistance, and will take the cheapest possible route to its point of destination. The rail rate is not the only factor which acts as a deterrent to the grain being routed through Canadian channels, but if all the other factors were favourable, a differential of nine cents per bushel in the rail rate would certainly be, and is

a barrier preventing the grain from moving to the Canadian seaboard.

Other factors have gradually disappeared. For instance, the lack of terminal equipment at the scaboard and of storage, grading and cleaning elevators in the interior, west of Winnipeg. Harbour facilities at Quebec, St. John and Halifax have been greately increased and further improvements are presently under

way.

The grain statistics published by the Department of Trade and Commerce give us a list of licensed elevators and warehouses in the interior for the year 1924-25. At page 34, the elevator capacity for Manitoba is given as 20,340,000 bushels; at page 94, that of Saskatchewan as 91.022,020 bushels; at page 124, that of Alberta as 36,840,000 bushels, a total of 138,202,620. Most of these country elevators are fitted with cleaning apparatus. In addition to that, there are interior terminal elevators with the most up to date equipment. In the same report, p. 72, we read the following: "the terminal elevators at Fort William, Port Arthur and Vancouver, and those in the interior at Saskatoon, Moose Jaw and Calgary are equipped with cleaners of the most modern design, and are able not only to clean grain, but to make practically every separation that is required. They can operate twenty-four hours a day if necessary. They have men specially qualified for operating the cleaners in order that the greatest efficiency may be secured." The total drying capacity of all our western elevators is 400,000 bushels per day, of which 270,000 is at Fort William and Port Arthur, and 130,000 at the interior terminal elevators.

The construction of the Longlac cut-off also permits to take advantage of the terminal facilities at Fort William for the traffic requirements of the

National Transcontinental Railway.

XVI

It was submitted that the exporter controls the destination of the wheat and that his interests were better served in locating his wheat at Port Arthur or Fort William, so as to be able to ship it at any time by the cheapest and shortest possible route. The creation of the wheat pool, which handles a large proportion of the crop, and which can afford to store great quantities at various points of shipment, where there will be sufficient call, in the course of the year, has largely altered this situation, and at Vol. 462, pp. 6467 and 6468, Mr. Kirkpatrick admitted that such a change had taken place.

If an advantageous rate were given on the Transcontinental Railway, grain exporters other than wheat pool could also make a greater use of the storage facilities of the interior, and would have the opportunity of shipping to Quebec,

as well as to any other ports.

XVII

The shortage of tonnage on the St. Lawrence was also alleged to be another serious obstacle. The same argument was used in 1924 against any rate reduc-

tion on grain for export via the Pacific coast ports. Yet, not very long after the publication of a favourable rail rate, grain began to move westward in large volume, and bottoms became available to carry it to Europe and the Orient. It will be interesting to note that during the calendar year 1926, there were from Vancouver 256 sailings to Europe alone, via the Panama canal, as against 51 to all ports in 1921, namely an increase of five hundred per cent in five years. This year, up to the 6th of July, 35,000,000 bushels of wheat were shipped from Vancouver, and 5,800,000 bushels from Prince Rupert. The wheat pool has now its own elevator at Vancouver and Prince Rupert, and expects to ship a much larger quantity during the coming grain season, and from year to year thereafter. This would be at all times a striking record, but it is a particularly remarkable one in 1926 and 1927. Last year shipping was much disturbed by the British coal strike, ships being used to carry coal, and this year the unsettled conditions in China have greatly reduced our exports to the Orient.

It is not unreasonable to expect that similar results will obtain in the east. The preponderance of the world's tonnage is on the Atlantic, and European purchasers are not very anxious to buy wheat in Vancouver to be delivered in six weeks, when they can obtain delivery within two weeks from the Atlantic seaboard. The movement of wheat is an economic question; it will move to the world's markets by the cheapest possible route.

Insurance rates are no doubt higher on hulls and cargoes to and from British North American ports than to and from United States Atlantic ports. They do a certain amount of harm to Canadian trade and the St. Lawrence route, inasmuch as they restrict somewhat the outside shipping which would otherwise be desirous of trading through Canadian Atlantic ports. crimination has already engaged the attention of the Canadian Government, the Imperial Economic Conference, and the Imperial Shipping Committee. Before the Royal Grain Inquiry Commission, on the 7th of March, 1924, Mr. Dalrymple, vice-president in charge of traffic of the Canadian National Railways, at p. 10808, said the following:-

In the foregoing paragraph you will notice I have said "regular services," but in addition of course there is also the tramp service, and on account of the insurance in the St. Lawrence, the tramp invariably charters his grain at one of these American ports, unless the inducement is sufficient at the Canadian ports to enable him to offset his insurance disability; this of course is simply a question of supply and demand for tonnage, and is

regulated according to circumstances.

Marine underwriters insert in their marine insurance policies a provision which is known as the British North American Warranty Clause, whereby the ship is insured under the condition that she will not ply to British North American ports, or if she does, will be charged an additional premium, which varies with the season.

At the instances of the Canadian Government, this matter was discussed at the Imperial Economic Conference of 1923, and was referred for investigation and report to the Imperial Shipping Committee. A sub-committee was appointed which proceeded to Canada, and held sittings at Halifax, St. John, Montreal, Toronto and Winnipeg. The committee then published an interim report as a result of which Halifax was eliminated from the application of the warranty clause on hulls, but not on cargoes. Some relief was also given to the St. Lawrence by the extension of the summer season of navigation from the 15th of May to the 31st of October, instead of from the 1st of May to the 31st of September, as formerly. The month of October is a very important month, having regard to grain shipments via the St. Lawrence. St. John, N.B., also obtained a reduction of 50 per cent on the additional premium on hulls, but not on cargoes.

The British North American Warranty Clause still obtains as regards cargoes throughout Canadian Ports and also as regards hulls, except in the port of Halifax. In their reports, the Imperial Shipping Committee pointed out the difficulties experienced in obtaining information concerning the amounts of premiums collected, losses incurred on casualties in the river St. Lawrence or eastern Canadian ports, as compared with the same in United States Atlantic ports. This Board had the privilege, at a sitting held in Ottawa on the 25th of March, 1926, of hearing Mr. Alexander Johnston, Deputy Minister of Marine and Fisheries, called at the request of the Quebec Harbour Commissioners. Mr. Johnston's statement is contained in Vol. 461 of our Record, pp. 6366 et s. At page 6374, he said:—

As illustrating the difference between United States and Canadian ports, the rates on two standard commodities may be cited. Canadian flour shipped from New York is charged at the rate of 45 cents per \$100. The same flour shipped through the port of Montreal is charged at the rate of \$1 per \$100, an increase of 105 per cent. Parcels of lumber shipped from St. Lawrence ports in November pay a premium of 55 cents per \$100. The same shipment through United States ports will be charged a premium of 12½ cents per \$100, an increase of over 400 per cent. In mid-summer the rate from St. Lawrence ports is 27½ cents per \$100, an increase over United States ports of 120 per cent.

And at page 6375:-

The differential cargo insurance rate as between New York and the St. Lawrence is usually in the neighbourhood of 12½ cents per \$100 of insured value. Taking wheat as a standard cargo, and assuming a value of \$1.50 per bushel, the extra insurance works out at 12½ cents per 66 bushels, or roughly one-fifth of a cent per bushel. To this must be added the additional premium on hulls.

The discrimination in marine insurance rates affects particularly the tramp vessels inasmuch as the additional premium charged to a tramp vessel for one trip amounts to approximately two-thirds of the additional premium charged to liners for the whole season. The premium spread over the whole season represents only an infinitesimal fraction of one cent per bushel of wheat carried by the liners, but it represents a few cents per bushel of wheat carried by the tramp vessels. The liners therefore receive a certain compensation inasmuch as this discrimination acts as a deterrent to tramp vessels plying to B.N.A. ports, and competition is thereby somewhat eliminated.

Directed as we are by Order in Council, P.C. 24, to inquire into the causes of Canadian grain and other products being routed to other than Canadian ports, I cannot but submit that the marine insurance rates unjustly discriminate against British North American ports, and are one of the causes of the diversion of our Canadian trade to other channels.

It is not open to this Board to take any effective action under the Railway Act, 1919, to remove such unjust discrimination. I would recommend however, that renewed and emphatic representations should be made to the Imperial Government, the Imperial Shipping Committee, Lloyd's Insurance Underwriters, the London Institute of Underwriters and such other English shipping and insurance interests as may be involved, for the immediate deletion of the British North American warranty clauses from marine insurance policies, and the removal of all restrictions on hulls and cargoes failing which, the Canadian Government should consider the advisability of assuming all insurance risks in Canadian waters, and perhaps, as a corollary, the necessity of inaugurating a scheme embracing shipping on all waters, foreign or Canadian.

But this discrimination in the marine insurance rates is only one factor, and it is much less important than the differential in the rail rate from Armstrong to Quebec. Even if the marine insurance rates were readjusted as desired, the rail rate differential of nine cents a bushel would in itself and alone be enough to prevent traffic from moving on the National Transcontinental.

XIX

The railways submitted that if rail rates to Quebec were reduced, ocean liner tonnage operating out of American ports would also reduce ocean rates to attract grain through Buffalo, and that the United States rail carriers would co-operate to insure the movement over their lines of sufficient grain to meet the requirements of the ports which they serve; the situation would not be changed, except that the earnings of the Canadian rail carriers would be considerably reduced.

The present lake and rail rate from Fort William to New York is 11-86 cents per bushel. The applicants request a rate of eleven cents per bushel on the National Transcontinental Railway from Armstrong to Quebec. It is highly improbable that the American carriers would find it worth while to disturb their rate structure just because the late to Canadian ports has been brought

down to the level of the rates to the American ports.

The same argument was strengly urged against the issuance of Order 36769 on rates on grain and flour to the Pacific coast for export; it was then alleged that such an order would have the effect of diverting traffic from Fort William and Buffalo to the Pacific coast and that American carriers would reduce their rates to the Atlantic seaboard so as to retain it. Though a considerable amount of grain and flour moved to Vancouver, American carriers did not disturb their rates.

In the present instance, it would moreover be abundantly clear to all concerned that these rates are ordered in compliance with the provisions of the Statute of Parliament 3 Edward VII, chapter 71, and of the agreement entered into pursuant thereto, particularly ss. 42 to 45 thereof; and also in compliance with the directions of Orders in Council P.C. 886, of the 5th of June, 1925, and P.C. 24 of the 7th of January, 1926; that the purport of this rate adjustment is to provide, as far as possible, the routing of grain and other products through Canadian ports; that if this rate were ineffective, or if other competitive rates were reduced, this Board would have to consider the advisability of ordering further reductions with a view of obtaining the desired results.

XX

The probable effect of the proposed rates on the finances of the Canadian National Railways was discussed at great length. Mr. E. P. Mallory, Director of the Bureau of Statistics, Canadian National Railways, was heard and he filed (exhibits 36-36A-36B-36C) estimates of the cost of hauling grain from Fort William to Quebec, via Longlac Cut-off, showing an operating expense per bushel of 19.93 cents, and including interest and depreciation on equipment,

an expense of 24.85 cents per bushel.

Mr. St-Laurent, K.C., on behalf of the Harbour Commissioners of Quebec, criticized these estimates (Records, vol. 506, pp. 6090 et s.) which had evidently been prepared on the assumption that this was new traffic, which would have to be solicited, loaded, carried and unloaded, as any other traffic, and therefore they included items which should have been excluded. He submitted (p. 6100) that the out of pocket expenses following the train, incurred for moving grain from Armstrong to Quebec, over the Transcontinental, did not exceed 8.02 cents per bushel.

In this connection, it will be important to remember Mr. Lloyd's evidence (Record, vol. 494, p. 1102 et s.). Mr. Lloyd is the Assistant Controller and in charge of the Statistical Department of the Canadian Pacific Railway.

Mr. FLINTOFT: What would you say as to the possibility of getting the cost of any

particular commodity?

A. Well, we do not know; there has never been any system devised yet by which you an get the cost of carrying any one commodity.

Q. Mr. Lloyd, I want to know whether it is in your opinion possible to work out the cost of carrying any particular commodity?

A. It certainly is not possible to arrive at the cost of transporting any individual

commodity.

And, at vol. 495, pp. 1527 and 1528:-

Q. Would you say that that "average cost per gross ton mile" would be a fair figure to apply to the cost of moving grain in train load lots?

A. I do not know what the cost of handling grain is.

Q. Is there any information in your statistical department that will give you that.

A. We have nothing to tell us the cost of handling any commodity.

Mr. Mallory, himself, stated (vol. 501, pp. 4324-25): "You asked me, and I gave you an estimate to the best of my ability. It is an estimate based upon our best experience."

And at vol. 502, pp. 4355-56: "You cannot find the cost of moving a commodity exactly, but if 60 per cent of your business is one thing, you are in a

fair way of arriving at a reasonable estimate."

The estimates filed by Mr. Mallory do not show the point beyond which the traffic could not be increased without increasing the maintenance of way and structure expenses, and it seems impossible to decide this important point without additional information. The costs in connection with yard locomotive maintenance, yard expenses and yard locomotive interest and sinking fund, as submitted in Mr. Mallory's figures, were made on a train mile basis, using the western region ratio; they are not as conclusive as if the actual costs of a yard such as Redditt, which handles practically nothing but grain, had been There is also an apparent inconsistency in taking the full train mile ratio in computing maintenance, interest and sinking fund, while only one-half of the train mile ratio is used in computing yard expenses. Further, the number of grain cars required should be more accurately estimated by using the average running time between Winnipeg and Fort William, excluding delays at both these points.

Mr. Mallory did not take much into account the inevitable charges carried to-day by the National Transcontinental Railway, for maintenance and operating costs, nor the volume of higher rated traffic which a better utilization of the line would necessarily bring to it, viz: cattle packing house products, eggs, butter, cheese, etc., shipped from the prairies; and package freight, general merchandise, machines and tools, furniture and other goods shipped to the prairies. Canadian Pacific Railway officials told us that rates on grain to St. John for export were not in themselves profitable. Yet, they continue to carry grain to St.

John because of the remuneration they get indirectly.

In my opinion, no accurate and definite conclusion can be drawn from the information on the record as to the actual cost of moving grain in train load lots from Armstrong to Quebec.

XXI

But even if a rate of eleven cents per bushel from Armstrong to Quebec were not in itself a profitable rate, I am of the opinion that the Board, in determining a just and reasonable rate, must take into account the circumstances which accompanied the creation of the National Transcontinental and the Grand Trunk Pacific railways, and the compensation in money already received by these railways for the avowed purpose, if possible, of routing grain and other Canadian products through Canadian channels.

It is true that the lease contemplated by the legislation of 1903 between the Government of Canada and the Grand Trunk Pacific Railway was never executed. This lease was only for the purpose of uniting under one management the two trunks of this new Transcontinental Railway. To-day these two railways are the property of the Government of Canada, and, under the

authority of 9 and 10 George V, chapter 13, they have been placed under the management of the directors the Canadian National Railways, appointed by the Canadian Government. But section 2 of 3 Edward VII, chapter 71, is still in full force and effect, and provides that the agreement entered into in

1903 is binding on His Majesty as well as on the railway company.

By Order in Council P.C. 1011, of the 27th of May, 1927, the receivership of the Grand Trunk Pacific Railway Company was ended, and the company resumed its normal and legal existence. The shares are in the hands of the Government of Canada. Therefore, the unification of these two railway lines has been performed, not through the instrumentality of a lease, but through the instrumentality of an Act of Parliament, enabling the Government of Canada to acquire the Grand Trunk and the Grand Trunk Pacific Railway Companies.

XXII

I am quoting the following from the judgment of the Board in the West-

ern rates case, official edition, p. 36:-

As pointed out by Mr. Lafleur, the Grand Trunk Pacific undertaking is in no sense that of an ordinary company. It is in every sense a national work of great magnitude, the building of which to a very large extent is controlled by Parliament itself. A large part of the line forming part of the system—the National Transcontinental—is owned and built by the country, and so far as the Grand Trunk Pacific itself is concerned, 75 per cent of its cost is in turn guaranteed by the Dominion, and the expenditure and work are subject to governmental supervision. The building of the line and the whole enterprise not only received the assent of Parliament, but the endorsation of the people of the country.

It is absurd to argue that such a company created under such conditions is to be looked upon, as suggested in an argument addressed to the Board, in the same light as any ordinary charter under which a railway could or might be built, apart from all governmental recognition or support, and which could be incorporated merely to prevent a reduction in

ates.

Are the Canadian people, the Parliament and Government of Canada, to-day less desirous of utilizing this railway system for the purpose for which it was created?

The Act of 1903 was never repealed; the Canadian Government, authorized by Parliament, carried out its undertaking in constructing the National Transcontinental Railway and in subsidizing the construction of the Grand Trunk Pacific Railway; when the Grand Trunk and the Grand Trunk Pacific Railway Companies became unable to meet their obligations, Parliament authorized the Government to acquire them for the purpose of carrying out their undertaking; by Order in Council P.C. No. 24, of the 7th of January, 1926, issued under the authority of the Railway Act, we are directed to inquire into the causes of the Canadian grain and other products being routed or diverted to other than Canadian ports, and to take such effective action, under the Railway Act, as the Board of Railway Commissioners for Canada may deem necessary to insure, as far as possible, the routing of Canadian grain and other products through Canadian channels.

We have before us submissions from every section of the country in support

of the application of the Quebec Harbour Commissioners.

Is it not manifest that the people, Parliament and the Government are still of the opinion that the National Transcontinental Railway should be utilized for the purpose for which it was built.

XXIII

It is abundantly clear to me that grain will never move on the National Transcontinental Railway so long as a prohibitive rate is allowed to continue. A rate of 18.34 cents per hundred pounds, from Armstrong and Fort William to Quebec, is not out of line with the rate on grain from Calgary to Fort

William; it is also approximately on the level of the lake and rail rate from Fort William to Buffalo and New York. Such a rate would enable a shipper to route his grain via the National Transcontinental Railway to Quebec without

any additional expense.

In my opinion the Canadian National Railways should be directed forthwith to publish a rate of 18:34 cents per hundred pounds on all grains for export from Port Arthur, Fort William, Westfort and Armstrong to Quebec, and to comply with the provisions of 3 Edward VII, chapter 71, and the agreement attached as a schedule thereto, particularly the provisions of sections 42, 43, 44 and 45 of the said agreement.

XXIV

Involved in the submision of the Maritime Provinces was an application for an export rate on grain and fleur to St. John and Halifax via the National Transcontinental Railway consisting of a differential of one cent over the rate

to Quebec on the same railway.

On the 8th of April. 1927, Mr. Duchemin, counsel for the Maritime Provinces, instructed by his principals, requested to be allowed to withdraw the Maritime case from the General Rates inquiry until such time as they were able to ascertain the effect of the rate to be published under the provisions of 17 George V, chapter 44. (Record Vol. 507, pp. 6701 et s.)

Mr. Duchemin's request was granted (ib. p. 6705). Therefore there is no

application before us on behalf of the Maritime Provinces.

EXPORT RATES ON GRAIN FROM GEORGIAN BAY PORTS TO QUEBEC; AND EXPORT RATES ON PACKAGE FREIGHT AND GENERAL COMMODITIES FROM TORONTO AND POINTS WEST OF TORONTO TO QUEBEC

The Quebec Harbour Commissioners submitted that the export rate on grain from bay ports to Montreal is 8.6 cents a bushel, and the rate on same to Quebec is 9.1 cents a bushel; viz., ½ cent higher; that the export rate on general commodities from Toronto and points west of Toronto is two cents per 100 pounds higher to Quebec than to Montreal.

In winter, the ports of St. John and Halifax are put on the same basis as the ports of Portland and New York. They request that Quebec and Montreal,

two summer ports, be put on the same rate basis.

In the construction of freight rates, there exists a practice, to some extent, of disregarding actual distances, and enclosing numerous points within the same group or blanket. This simplifies the publication of tariffs, to the convenience of the carriers and shippers, and effects an equality of opportunity usually most desirable; this is particularly true when the points in question produce or ship the same commodity or derive their materials from the same sources.

Blanket or group rates were in effect long before the establishment of the Board. The Board has frequently had occasion to consider established blanket or group rates and has recognized repeatedly and approved the blanketing of

points, within reasonable limits, for the purpose of making rates.

The determination of the territory to be grouped together varies according to the circumstances in each individual case. In the International Rates case, by its Order No. 3251 dated July 2, 1907, the Board directed that the territory be divided into groups.

In the Board's Judgment in the Western Rates Case, page 14, it is stated:—

Group of blanket rates are in many instances necessary in the public interest.

In the same judgment, at page 73, dealing with lumber rates, it is stated:—
That the grouping of a number of stations at the one rate, particularly as the hauls lengthen, is necessary, as must be obvious, since the stepping up of the rates from station to station would produce rates which, for the longer hauls, would be prohibitive and useless. Such grouping is a recognized principle in tariff construction everywhere.

Again at page 82 of the same judgment dealing with coal rates, reference is made to an arrangement in connection with mines on the Canadian Pacific Railway along the Crowsnest line where the collieries are more or less bunched into well defined groups and the group principle of ratemaking followed.

In the Eastern Rates Case Judgment, Volume VI, Board's Judgments, Orders, Regulations and Rulings, reference is made at page 160 to territorial grouping in connection with class rates. Again at page 178, in connection with

the movement of coal from the Niagara frontier, it is stated:-

The per ton mile measure would also seem to be inappropriate, so far as the country east and west of Toronto is concerned, owing to the ramification of lines, the diversity of routes and the competition between carriers both rail and water. The companies have subordinated mileage to a system of geographical blocking of the territory, with an effort to produce equality of rates to the fairly definable manufacturing groups, and at the same time to provide for competitive conditions.

In Volume XII, Board's Judgments, Orders, Regulations and Rulings, page 69, the situation with regard to the grouping existing in connection with the rates between Eastern Canada and points west of Fort William is dealt with. The largest grouping arrangement existing in the freight rate structure and its justification is there clearly set out.

The underlying principle, therefore, governing the blanket rate is to treat

all stations within a certain area or zone as in one group at a common rate.

In my opinion, the rate on grain and flour for export from Georgian bay ports, and the rate on package freight and general merchandise from Toronto and points west of Toronto to Quebec for export, should be made the same as to Montreal for export.

THE MOUNTAIN DIFFERENTIAL

Fully to appreciate what is involved in the question submitted in respect of the mountain differential, it will be necessary to summarize the previous

applications and judgments of the Board in relation thereto.

The railway development in the United States, both east and west, preceded that in Canada. As the conditions were very similar in both countries, the Canadian rates followed the lead given us by the neighbours to the South. In the United States, generally speaking, there always have been three or more sets of rates. In the East owing to a greater density of population and traffic, the rates were lower.

On the Pacific coast and through the mountains, with a lower density of population and traffic, the rates were higher. An additional reason was the higher cost of construction and operation.

The same custom was followed in Canada.

When the Canadian Pacific Railway Company built through to the coast, rates were built, generally, on three different bases:—

1. The Eastern rates from the head of the lakes to the Atlantic ocean;

2. The Prairie rates from Fort William to the Rocky mountains;

3. The so-called, Mountain rates through to the Pacific coast; and in the early days, both Prairie and Mountain rates were much higher in proportion to

the Eastern rates than they are at the present time.

The first material change in this condition of affairs was the so-called, Crowsnest Agreement of 1897, which, we are all aware, materially reduced the rates on grain and flour going East, and on various commodities therein mentioned going West; but this did not affect the general rate structure, and while there was some modification downward, as a result of the Manitoba agreement, in 1903, yet the first general reduction of the Prairie and Mountain scales, as compared with the Eastern scale, was by the decision in the Western Rates Case, in 1914, when the spread was very materially lessened, and the mountain

differential which was then on the basis of two miles in the prairies to one in the mountain, was reduced to a mile and one-half in the Prairies to one in the Mountains. Things remained practically the same until 1916, when by the decision in the Eastern Rates Case, so-called, an increase was made, generally, in the rates East of Fort William, but not in the West, which had the effect of again lessening the spread between the two.

In March, 1918, by General Order of this Board No. 212, known as the Fifteen Per Cent Rate Increase, rates all over Canada were increased, generally, by fifteen per cent, and ten per cent in mountain territory, although in some cases where the increase brought the rates on Crowsnest commodities above that basis, the full fifteen per cent increase was not effective on certain commodities

in Western Canada.

By Order in Council, P.C. 1863, in August, 1918, practically all rates in Canada were increased by twenty-five per cent; but in figuring out the rates, the fifteen per cent advance of March was disregarded West of Fort William, which meant that East of Fort William the two increases of March and August, put together, made forty-four per cent when the increase was only twenty-five per cent in Western Canada. This again very materially reduced the spread between the different sections.

The next change was by General Order of the Board No. 308, in September, 1920, known as the Forty Per Cent Rate Increase, when all rates in Canada were increased by forty per cent from Fort William, east, and by thirty-five per cent from Fort William, west. This, again, lessened the spread by five per cent.

Representatives of provincial Governments and business organizations, both in the prairies and Pacific territories, contended that discrimination existed

against them as compared with Eastern Canada.

Shortly after the promulgation of General Order No. 308 of this Board, various bodies, and among them the province of Manitoba, appealed to the Privy Council asking that the said order be rescinded for various reasons set forth by the appellants. The matter was heard by the Privy Council, and was dealt with on the 6th day of October, 1920, by P.C. No. 2434.

The Board thereupon started an investigation, primarily to ascertain whether or not the conditions had changed and whether the difference in rates, if any, existing in a general way between Eastern and Western Canada amounted to

undue discrimination

The province of British Columbia requested the elimination of the Mountain scale of rates, asking that the Prairie scale be extended through to the Pacific coast.

The matter was thoroughly discussed and evidence taken over the whole of Canada, in which it was found that while there was a difference in rates between castern and prairie territories, the rates east of Fort William were held down to a large extent by water and other competition, and that the prairies enjoyed certain advantages therein mentioned, and it was held that no unjust discrimination existed which required correction.

In the case of the Mountain rates, however, a different view was taken. There the rates were based upon a mile of Mountain territory being equal to a mile and a half of Prairie territory, by which the actual rates were figured out at from thirty to thirty-two per cent greater in Mountain territory than on the

prairies.

By General Order No. 366, effective August 1, 1922, this differential was cut in two, and the rates are now figured on the basis of one mile of mountain

territory being equal to one and one-quarter of Prairie territory.

These figures, of course, only apply to class rates, and some commodity rates built upon a percentage of class rates which reflect the mountain differential upon which, it is stated, about fifteen per cent of the total business to and

from British Columbia moves, the balance moving upon through Transcontinental or Commodity rates not affected by the mountain differential.

The Mountain scale, so-called, does not apply to grain and grain products

going to the Pacific coast for export.

The situation remained unchanged to this day. Request is now made by the provinces of British Columbia and Alberta that the rates in the mountains should be reduced to the level of the rates in the prairies. The evidence on record clearly shows that the cost of operation in the mountains is higher than in the prairies. The applicants submitted that if any additional cost is incurred in carrying traffic through the mountains, it should be smeared over the whole railway system. In my opinion the time has not yet come when effect could be given to this contention.

The removal of the mountain differential would entail an estimated loss of revenue of a million dollars a year to the Canadian Pacific, and probably as much to the Canadian National.

In the language of Order in Council P.C. No. 886, the policy of equalization of freight rates should be recognized to the fullest possible extent as being the only means of dealing equitably with all parts of Canada, and as being the method best calculated to facilitate the interchange of commodities between the various portions of the Dominion, as well as the encouragement of industry and agriculture and the development of export trade. But Railway Companies are also entitled to receive, in payment of the services they render, just and reasonable rates which will produce sufficient revenues to enable them properly to function and to secure the necessary capital to extend their railway facilities to meet the requirements of a growing country like Canada; and such revenues must be collected from those to whom services are rendered.

I am therefore of the opinion that the removal of the mountain differential

cannot be considered at present.

Board's Order No. 36769 of the 2nd September, 1925

On the 2nd of September, 1925, under direction from the Chief Commissioner and Mr. Commissioner Oliver, the Board issued its Order No. 36769 (file No. 30686.2) which read as follows: "that the Canadian Pacific and the Canadian National Railway file tariffs, effective not later than the 15th of September, 1925, reducing the rates on grain and flour to Pacific ports within Canada for export to the same rates, proportioned to distance, as such grain and flour would carry if moving eastward for export."

An appeal to the full Board was taken by the Montreal Board of Trade, and others, applying for the rescission of the Order and the reconsideration of

the case as part of the General Freight Rates Investigation.

A complaint was also received from the provinces of British Columbia, Alberta and Saskatchewan to the effect that Order 36769 had not been complied with by the railways, inasmuch as the Canadian Pacific Railway in computing its rates on grain and flour from Calgary to Vancouver had assumed 124 miles more than its actual mileage, having adopted the Canadian National Railway mileage from Edmonton to Vancouver. The complainants submitted that the railways should be directed immediately to file tariffs showing the proper rates ordered by the Board.

Judgment issued on the 19th of December, 1925 (Board's Judgment, vol. 15, pp. 333 et s., At page 363 the matters involved were dealt with as follows:—

That the motion to rescind or vary the Order be dismissed.
 That, inasmuch as many interests which were not represented before the Board when the case was heard have now been brought to our attention, a further consideration of the whole matter should be had, as part of the general freight rate inquiry.

3. That, if the railways so desire, they be at liberty, at any time, on proper notice, to move the Board to vary, or rescind, or modify the Order, upon the ground that it is unduly burdensome to them, or for any other reason they may desire to put forward, and be able to establish.

4. That pending the final disposition of all the matters involved, the existing rates should continue in force, until such time as the Board, as a result of further investigation,

orders otherwise.

In their submissions in the present inquiry, the railways urged that the Order 36769 should be rescinded, and that the rate basis ordered by the Board in its judgment of the 9th of October, 1923 (Board's Judgments and Orders, vol. 13, p. 173 et s.), should be restored.

The provinces of British Columbia, Alberta and Saskatchewan submitted that the order should be upheld and that the Canadian Pacific Railway should

be directed to compute its rates on its own actual mileage.

After hearing the evidence adduced and what was alleged by counsel on behalf of interested parties, I am of the opinion that it would be unadvisable

to rescind Order No. 36769.

We are directed by Order in Council P.C. 886 to establish a fair and reasonable rate structure which would, under substantially similar circumstances and conditions be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the different provinces and territories of the Dominion in the expansion of its trade both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and particularly to the increased traffic eastward and westward through Pacific Coast ports, owing to the expansion of trade with the Orient, and to the transportation of products through the Panama canal. Order 36769 was a step in the right direction, and it should be upheld.

The Canadian Pacific Railway in computing their rates under such Order have adopted the Canadian National Railway mileage from Edmonton to Vancouver, viz: 766 miles instead of their actual mileage from Calgary to Vancouver, viz: 642 miles. Should they be allowed to continue to collect tolls on

the basis of this assumed mileage?

In looking at the map of British Columbia and the Prairie Provinces, it can be seen at a glance that Edmonton and Calgary are the two gateways through which the traffic moving from the Prairie Provinces to Vancouver must pass. Heretofore, the rates from Edmonton to Vancouver were the same as the rates from Calgary to Vancouver. On that basis, our two great railway systems extended their lines into the prairies, built railway facilities, grain elevators, etc.

If the rates were lowered from Calgary to Vancouver, the Canadian National Railway would lose a considerable amount of its traffic to its competitor, and so railway and grain loading facilities would be rendered useless; or else, the Canadian National Railway, with a view to retaining its traffic, would be obliged to reduce its rates to the basis of the rates charged by the Canadian Pacific Railway. Then, instead of the Canadian Pacific Railway assuming the mileage of the Canadian National Railway, the Canadian National Railway would assume the mileage of the Canadian Pacific Railway shorter line, entailing a considerable loss of revenue to both railway systems.

Another anomaly would also be created. A shipment of grain via Canadian National Railway to Vancouver, from a point at a given distance east thereof, on account of this reduced mileage, would be carried at a lower cost than a similar shipment to Fort William, from a point the same distance west thereof, thus defeating the avowed purpose of Order 36769 which was to equalize the rate

to Fort William and Vancouver on grain and flour for export.

In computing rates on grain and flour to Vancouver for export, the Canadian Pacific Railway should be allowed to continue to assume a mileage of 766 miles, namely, the same as the C.N.R. from Edmonton to Vancouver.

I entirely adopt the reasoning of my learned Chief Commissioner as to the extension to Canadian Pacific Railway branch lines of the present Canadian Pacific Railway main line basis of rates on grain and flour to Fort William, and to Vancouver for export, and as to the directions given to other railways to adjust their rates accordingly, and also as to the extension to the C.N.R. of the provisions of s. XVII of the judgment in the Western rates case in respect of distributing tariffs, as well as to the disposition made in respect of Transcontinental rates and terminal rates from Fort William and Vancouver.

I am also of the opinion that the application to reduce rates on grain west-bound for domestic consumption to the level of rates on grain westbound for

export should be dismissed.

COMMISSIONER BOYCE:

Ι

By Order in Council, P.C. 886, dated June 5, 1925, the Government of Canada directed this Board to make a thorough investigation of the rate structure of railway companies, subject to the jurisdiction of Parliament. There is coupled with that direction an intimation that such rate structure should be investigated, not only for the purpose of satisfying the Board and the Government of Canada, that it is a just and reasonable structure of itself, but that it shall be so examined, in relation to the conditions of Canadian foreign and domestic trade, the expansion thereof, and other general subjects of national economic importance, specified in the Order. It constitutes a spirited, courageous, and comprehensive effort, on the part of the Canadian Government to meet problems of Canadian transportation generally, as related to further development of Canadian trade, and the conservation of that trade, as far as possible, through Canadian channels.

The inquiry, directed as to the rate structure, and with regard to the other and broader subjects of economic importance, opened up the widest possible field for investigation, and carried the Board into some regions beyond its ordinary statutory power, and in deciding upon what action the Board should take, upon the mass of evidence and argument before it in the inquiry, it will be appropriate to analyze the Order in Council, to ascertain just what powers, if any, the Board is asked to exercise beyond those with which it is invested under

the Railway Act.

This Board was constituted, under the Railway Act, 1903, and amending Acts. Its functions are defined and circumscribed by, and are to be exercised within the provisions of that Act, and not otherwise. Its jurisdiction within that Act is of the widest possible nature; its discretionary powers almost absolute in their breadth and freedom.

(C.P.R. Co. v. City of Toronto and G.T.R. Co. (1911), A.C. 461, C.R.C. 12, p. 378).

TT

Order in Council, P.C. 886, directing the inquiry, is expressly restrictive in this respect. An analysis of its terms emphasizes and makes it clear that it intends and desires that the Board shall, in respect of all its investigations under its terms, do so in virtue of its powers as, (in the language of the Order of Reference (P.C. 886)) "the body constituted by Parliament with full powers under the statute (Railway Act) to fix and control railway rates.

It is to be borne in mind that P.C. 886 is, as its first paragraph states, the judgment of the Committee of the Privy Council upon the appeal of the provinces of Alberta, Saskatchewan, and Manitoba, by way of appeal from a Gen-

eral Order (No. 408) of the Board of Railway Commissioners for Canada, dated October 14, 1924, under which certain tariffs of the Canadian Pacific Railway Company and the Canadian National Railways were disallowed and required to be withdrawn from operation. The appeal involved the question of the validity of the Board's ruling in said Order appealed against as to the non-application of the Crowsnest Pass Act and agreement of 1897, as affecting the Board's jurisdiction under the Railway Act to fix just and reasonable rates.

The order further recites:-

(a) The pending appeal to the Privy Council of Canada from the Board's Order No. 408, dated October 14, 1924, upon the application with respect to and which involved the decision of the Board in respect of the application of the Crowsnest Act and of the agreement thereunder;

(b) The necessity for the advice of the Supreme Court of Canada on questions of law arising in the said judgment, in order to enable the Committee of Council to be advised as to the exact situation with reference to this question

of law and jurisdiction before finally disposing of this matter;

(c) The restoration of the Crowsnest Pass Rates, pending decision of the Privy Council, referring to Order in Council, P.C. 2220, dated December 25, 1924:

(d) The recital of questions submitted by the Board to, and answered by, the Supreme Court of Canada, on appeal to that Court from the Board's before-

mentioned decision;

(c) That considerable variations in the rates applicable between the points specified in the Crowsnest Pass Agreement has been brought about by the reestablishment of Crowsnest Pass rates applicable thereto, prior to July 7, 1924, and that it was urged "that the establishment of these rates would disrupt the rate structure built up under the control of the Board since its creation," with consequent serious injury to trade relationship.

(f) That sources of supply have changed since the agreement (Crowsnest) was made, and that certain commodities which were formerly shipped in large quantities from Eastern Canada to the Prairie Provinces are now largely supplied either by local industries or from British Columbia, to the detriment of the latter province, if, as alleged, it was cut off from a large part of its natural

market by the permanent restoration of the Crowsnest rates:

(g) That it was urged that the continuance of the Crowsnest rates (so-called) would compel the Canadian National Railways to make similar reductions from all competitive points, and thus involve a serious less in revenue to them, which would have to be made up from other Government sources, and further postpone the time when it would be possible to make any general rate readjustment, or to solve satisfactorily the problem of the National Railways.

(h) After observing that the Crowsnest Agreement was made at a time when the Canadian Pacific Railway was the only company having a through line of railway extending through the Prairie Provinces and British Columbia, and before the creation of the Board for the control of railways and railway rates under the provisions of the Railway Act of 1903, and subsequent Acts, the Committee observes that the underlying purposes of rate control, inaugurated by the Railway Act of 1903, was to do away, as far as possible, with all unjust discrimination and undue preference, and to secure a fair and reasonable rate structure, which under similar circumstances and conditions would be equal in its application to all persons and localities.

The Committee then expresses the following opinions:--

(1) That the policy of equalization of freight rates should be recognized to the fullest possible extent, as being the only means of dealing, equitably, with all parts of Canada, etc.

(2) That to give effect to this policy, a thorough and complete investigation of the whole subject of railway freight rates in the Dominion should be carried out by the Board of Railway Commissioners for Canada—the body constituted by Parliament with full powers, under statute, to fix and control railway rates.

(3) As to grain and flour, it is desirable that the maximum cost of transportation of these products should be determined and known, and that the maximum established for rates thereon, as at present under the Crowsnest Pass

Agreement, should not be exceeded.

(4) That before such investigation is undertaken, it is essential to insure that the provisions of the Railway Act, in reference to tariffs and tolls, and the jurisdiction of the Board thereunder, be unfettered by any limitations, other than the provisions as to grain and flour hereinbefore mentioned.

Upon the above basis, the Committee of the Privy Council proceeds to

advise as follows:-

That the Board be directed to make a thorough investigation of the rate structures of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable rate structure, which will under substantially similar circumstances and conditions, be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade, both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and in particular to:

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate basis which they enjoyed prior to 1919;

(b) The encouragement of the movement of traffic through Canadian ports;

(c) The increased traffic westward and eastward through Pacific coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama canal.

The Committee further advise that legislation be introduced at the present session of Parliament, making it clear that the provisions of the Railway Act of 1919 in respect of tariffs and tolls shall, save in the particular above mentioned, be operative notwithstanding any Special Acts or Agreements and removing all doubts as to the validity of tariffs heretofore filed.

III

The Order in Council (P.C. 886) is directly concerned with and results from the disturbed rate conditions arising out of the judgment of the Board with respect to the Crowsnest Act (1897) and agreement as varied by the Supreme Court judgment, both above referred to, and with the recommendations and directions as to certain avenues of investigation which the Board should, in the opinion of the Privy Council pursue, but always in the exercise of what jurisdiction the Board has, as regards all matters referred, under the Railway Act as "the body constituted by Parliament with full powers, under statute, to fix and control railway rates." It is evident that the matters are confined to the review of the Canadian railway freight structure, with a view to making such changes, or variations therein as the Board in the exercise of such powers. as it has under the Railway Act, may think necessary, having due regard and paying due respect to the consequential effect upon economic conditions aimed at, of a rate structure so built up. The rate structure is that referred to in paragraph (e) of the quotations from the Order of Reference, "the rate strucure built up under the control of the Board since its creation" and, as to which, in the section referred to, reference is made to some apprehensions that uch rate structure might be disrupted by the continuance of the Crowsest Pass Rates. The Committee further declares that it is essential that he Railway Act and the powers committed to the Board thereunder. hould, before this investigation is undertaken be "unfettered by any limiations other than the provisions as to grain and flour," and provides last clause) for legislation making it clear that the provisions of the

Railway Act of 1919, in respect of tariffs and tolls shall, save in the particular above mentioned (grain and flour) be operative notwithstanding any Special Acts or Agreements, and removing all doubts as to the validity of the tariffs heretofore filed. The Committee's advice in this respect was acted upon by Parliament, at the then pending session, by the passage of chapter 52 (1925)

amending section 325 of the Railway Act.

With the changes made by this legislation, the powers of the Board, under the Railway Act, "to fix, determine and enforce just and reasonable rates, and to change and alter rates as changing conditions or cost of transportation may from time to time require" the Board's jurisdiction became, as was intended, unfettered, and it proceeded after the passing of the amending legislation, with the task of review of the rate structure, under the direction of the Order in Council, but governed only as to its powers by the Railway Act. It was made clear both by the Order in Council and the amending Statute, and is too much of a truism to admit of any controversy whatever, that, in the circumstances while the Committee of the Privy Council had jurisdiction to direct an inquiry, the Board becomes seized of the inquiry and proceeds with it to its conclusion, under the powers of the Railway Act. Where there is any conflict, of course the Railway Act governs. There is no suggestion in the Order in Council of any different intention; on the contrary, that axiomatic proposition is in the order itself.

IV

The present rate structure, has been the subject of investigation protracted over a period of 113 days session. That structure has been built up under the control of the Board, and under the Railway Act since the formation of the Board in 1904. As changes in transportation conditions have occurred and costs of transportation have been varied, rates have, from time to time, been varied to meet such changes and variations in costs, in all of which the Board's functions, under the Act, to fix, determine and enforce just and reasonable rates. and prevent unjust discrimination, have been exercised. As I view it the Board can, in this investigation, broad, searching, and thorough though it has been, perform no other functions than those I have mentioned and which are recognized in the Order in Council. A review of the effect of the changes in the rate structure by the changes in Crowsnest Pass legislation, as has been mentioned, necessitated the review, and the filing of some 80 odd complaints, mostly of local importance, has enabled the Board to make its review in the light of present prevailing transportation conditions. The investigation made by the Board has been in the public interest, and the evidence accumulated will be of great utility to the Board and to the public.

V

One of the outstanding difficulties with which the Board is confronted in its efforts, since its organization, to regulate and control Canadian freight rates, and build up a system or a rate structure, which will, in all respects, under similar circumstances and traffic conditions, be just and reasonable to all persons and localities, has been, and is, the question of geographic disadvantage, or disability of some localities. It has been laid down as a principle that the Board's functions do not extend to the removal, by adjustment of freight rates, of these natural geographical disadvantages, which, in a country of such enormous extent and widely covered area, must naturally exist. This condition is specially emphasized in the rate situation of the Maritime Provinces, and during the whole course of the Board's existence, from time to time, the question of railway rates between the Maritime Provinces and the large market areas and distributing centres of Canada has been a yexed question, which the Board was powerless

to remedy, because under its administration of the Railway Act it was not possible to fix just and reasonable rates, fair to the railways, in providing rates sufficient to give a fair return, and at the same time remove the geographical disadvantages, under which the people of that important section of Canada are suffering from. That question had to be dealt with by legislation, passed at last session of Parliament—chapter 44, 17-18 George V, 1926-7, following the Report of the Royal Commission (issued since P.C. 886, and therefore removing that subject from the consideration of this Board), dated September 23, 1926. The recital, or preamble of that Act is worthy of study in this respect. It recites, inter alia, the following:—

And whereas the commission has, in such report, made certain recommendations respecting transportation and freight rates, for the purpose of removing a burden imposed upon the trade and commerce of such provinces since 1912, which, the commission finds, in view of the pronouncements and obligations undertaken at Confederation, it was never intended such commerce should bear: And whereas it is expedient that effect should be given to such recommendations, in so far as it is reasonably possible so to do without disturbing unduly the general rate structure in Canada:

The last lines, in italics, are important, showing that while the Parliament of Canada felt that relief should be given against the burden imposed upon the trade and commerce of such provinces, since 1912, which the Royal Commission found, in view of the pronouncements and obligations undertaken at Confederation, it was never intended such commerce should bear, Parliament recognized that, (a) the relief was not within the powers of the Board under the Railway Act, and (b) that while it was expedient that effect should be given to the recommendations and report of the Royal Commission, such recommendations should be carried out, with due regard to the existing Canadian rate structure and without disturbing such unduly. The legislation speaks for itself. It provides a reduction, in all tariffs, as from July 1 last, of approximately 20 per cent, in the territory specified in section 2 of the Act. It also provides for compensation out of the public treasury, for all railways who participate in and contribute to such tariff reductions, so that Parliament in removing the geographical disadvantages, to the extent of approximately 20 per cent of tariff rates, provides, by special legislation, for compensation to the railways for the loss, which those railways must bear, in the carriage of goods, under the statutory rates provided by the Act, to the extent of 20 per cent of the tariffs in force before the first day of July last under the Railway Act and built up by this Board as just and reasonable rates for the railway service involved.

VI

Another problem involving study of geographical and economic conditions is involved in the legislation passed by Parliament, with respect to rates on the

important commodities of grain and flour.

The wheat fields of Canada are far removed from the seaboard, east and west, and the policy of Parliament, as expressed in its legislation of 1925, in dealing with the Crowsnest Pass statutory rates, imposed by the legislation of 1897, and while removing from this Board, the binding conditions and recommendations of that statute, and leaving this Board unfettered, not only as regards Crowsnest Pass rates, provided by the original legislation and agreement thereunder, but as regards any other Statutes and any other agreement, purporting to impose any such fetters upon the Board's jurisdiction to fix just and reasonable rates on all traffic, it provided by the legislation of 1925, that the rates fixed by Statute and agreement, as far back as 1897, when there was practically only one railway—the Canadian Pacific—operating in that territory, should remain as special statutory rates as the only fetter to the jurisdiction

of this Board; and the justification for such legislation lies in the fact that as a matter of public policy, in the wisdom of Parliament, it was considered essential "in order to encourage the further development of the great grain growing provinces of the West, on which development the future of Canada in a large measure depends, that the maximum cost of transportation of these products should be determined and known, and that therefore, the rates imposed in 1897, as maximum rates on these commodities, within the territory limited by the Act should not be exceeded." Again, it is to be observed that a territorial limitation is imposed by the statute of 1925, so that outside of that territorial limitation the Board's jurisdiction to fix, determine, and enforce just and reasonable rates, and to change and alter rates, as changing conditions, or cost of transportation may from time to time require, shall not be limited, or in any manner affected by the provisions of—

- (a) Any Act of the Parliament of Canada; or
- (b) Any agreement made, or entered into pursuant thereto; whether general in application, or special, and relating only to any specific railway, or railways; and further providing, that this Board should not have the jurisdiction, or power, to excuse any charge of unjust discrimination, or of undue, or unreasonable preference, on the ground that such discrimination, or preference, is justified, or required by any agreement made or entered into by the company.

This important legislation deals with both geographical conditions, as to location of the great grain-growing provinces in their relation to tide-water, and also to the importance justifying Parliamentary interference, of fixing a standard of rates, applicable to those important commodities, produced to a large extent in those provinces.

VII

Another instance of geographical disadvantage, against which the Board has, in the past, found itself without power to remove, is in British Columbia; and lies in the necessarily increased operating costs to both railways, in transporting freight and passengers in that mountainous territory. The facts are set out so fully in the judgment of the Assistant Chief Commissioner that I need not refer to them in detail. Effort has been made, on several occasions, to obtain relief from what is called the "Mountain differential," which now consists of increase in rates through that section. The basis has been reduced until the differential now is upon the basis of one mile in the mountain section being counted as a mile and a quarter under the prairie tariff. But, this differential exists by reason of different conditions existing in that territory involving higher operating costs than those which obtain in the prairie section, and therefore, following the fundamental principles of rate making and rate control, the increased rate forming the differential against the mountain section, and which averages from 15 to 17 per cent, has been maintained by the Board, as a just and reasonable rate, and, no change in conditions having been shown in all that has been submitted in the mass of evidence and protracted argument, upon this subject, in this investigation, must, in my opinion, be maintained. It was contended, exhaustively, during the hearing, both in evidence and argument, that by the terms of Confederation there was an implied contract that the railway company should charge no higher tolls in one section of territory than another through which the railway runs, and the Board was strongly urged on that ground to remove the mountain differential and apply the prairie basis of rates to the mountain section.

VIII

The subject of this mountain differential has been many times the subject of very strong pressure upon the Board by counsel for the province of British Columbia, and counsel for the province of Alberta in previous applications.

I need add very little to what I have already said in this connection, as regards the natural geographical disadvantages of British Columbia as regards increased cost of railway operation, resulting in slightly increased freight rates, especially as the subject has been very fully and very ably dealt with in the judgment of the Assistant Chief Commissioner. The greater portion of the traffic of that province, some 85 per cent, moves under commodity rates, and, as has been shown, only a small percentage is affected by it. The difference in operating costs on both systems of railway operating through the mountains is shown by the evidence, and cannot be controverted. The comparisons of such costs of the two railways, as between themselves and between them, respectively, and the Prairie sections, are set forth in the judgment of the Assistant Chief Commissioner.

The costs of the Canadian National which has the easier grades and longer mileage, are not so large as those of the Canadian Pacific. In his judgment, re Province of British Columbia vs. Canadian Freight Association, 30 C.R.C. p. 393 at p. 298 the learned Chief Commissioner of this Board, said as follows:—

From the above it is evident that the tolls now in force were considered by the Board as just and fair, having regard to the conditions prevailing, and recognizing what is known as the "mountain scale," for which a figure greater than the prairie rate is charged, and there the matter rests at the present time. Speaking generally, it is correct to say that differences upon the lines of the Canadian Pacific Railway as between grain rates east and west may be accounted for by this increased mountain scale of one and a quarter to one, as against the prairie rate. The easier gradients of the Canadian National Railway seem to afford no reason for such difference upon the last-mentioned line.

From the above it would seem that the learned Chief Commissioner was of opinion that while, in the circumstances shown, and which are clearly shown by the evidence now before us in this investigation, higher costs of the Canadian Pacific Railway operation of the mountain section appear to justify the differential in rates, that factor does not apply to the Canadian National for the reasons given.

I am of opinion, in agreement with the judgment of the Assistant Chief Commissioner, that the circumstances which have justified the mountain differential in the past decisions of the Board are still present, and that the Board is not justified in making the change asked for in this feature of the Canadian rate structure. It affects but a small portion of the traffic, and can be little burden upon the traffic moving under it, but, on the other hand, its removal would result in a serious financial loss to the railways which they are unable to bear. The rate is as low as conditions will permit of. The conditions of carriage are not "substantially similar," and equality is nevertheless maintained in the basis of these rates, to the greatest extent possible, having regard to those dissimilar conditions which necessitate and justify the differential.

All that was covered by the argument, and in evidence, has been before the Board for many years, on several occasions, in the same or different form. I refer to the case of Attorney General for British Columbia v. Canadian Pacific Railway Company, 8 C.R.C. p. 346, which deals fully with this feature. Also to the Western Rates decision, where it is also dealt with. It has also been the subject of argument before His Majesty's Privy Council for Canada without change.

There being no change of conditions, the rates built up and maintained, upon the principle of fair return, and upon the consideration of increased cost of operation, cannot be interfered with, unless the loss thereby entailed upon the

railways, which is estimated, in Mr. Stephen's evidence at \$1,000.000 per annum, is to be borne elsewhere. Such loss of revenue, as found in the Western Rates Case cannot be "smeared" over the whole system, or part thereof. The principle upon which the whole rate structure, reviewed by us, has been built up since the Board's organization must be adhered to, and I agree that it will not be possible on what is before us, to find any change of conditions which would justify the Board in removing this differential.

IX

The rates on grain from the prairie westward to the Pacific ports are open for review in this investigation. They were the subject of a judgment of the Board dated September 2, 1925, reported above (30 C.R.C. 393). That judgment was sharply contested by the Montreal Board of Trade, the railways and others, and, after lengthy hearing before the Board, the decision was as set forth in the report of that case:—

31 C.R.C. p. 61.

That application is still open in this investigation, in all the features presented in it, for consideration. By the Order therein (Order 36769, dated September 2, 1925) rates on grain and flour moving westward to the Pacific coast for export, were put upon the same basis as though moving eastward for export, which means that the Crowsnest rates, on grain and flour, fixed in 1925 as applied to such commodities "moving from all points on all lines of railway West of Fort William to Fort William or Port Arthur over all lines now or hereafter constructed by any company subject to the jurisdiction of Parliament" in the expressed language of the Act of 1925, amending section 325 of the Railway Act, were applied also to grain and flour moving westward to the Pacific for export

The judgment of the Assistant Chief Commissioner upon that question (31 C.R.C. pp. 97, 98 and 99), deals with the situation fully and, in my opinion.

conclusively, and I adopt his reasoning and conclusions.

There clearly was no power in this Board to extend the provisions of a statute, expressly limited in its application, beyond the boundaries of that limitation. The rates in question had been fixed by this Board as just and reasonable rates by the judgment of the Board (XII Judgments, Orders, etc., p. 173) upon the very logical basis described at pp. 180-182 of that judgment; the facts and reasons forming such basis being affirmed and present with us If Parliament, in the exercise of its paramount authority, had willed to extend the rates beyond the territory it expressly limited as to the territory in which they should be applicable, Parliament in its supremacy, would have so expressed itself, and then, and then only, would the Board's findings in the judgment of 1923, of such rates as just and reasonable rates, have been over-ridden, but Parliament made no such provision. The learned Chief Commissioner, in his Judgment Lerein referred to and quoted (30 C.R.C. p. 393 at p. 398) states that "it is evident that the tolls now in force were considered by the Board as just and fair having regard to the conditions prevailing etc." Those conditions still prevail: no statute affects them; no ground existed for changing them, and I am strongly of the opinion that the change sought to be made in their structure was not justified, and was beyond the power of the Board to make under the circumstances.

I think, therefore, that these rates, as built up logically, as just and reason-

able rates, by the judgment of 1923, above cited, should now be restored.

No question of unjust discrimination can anywhere be applied as regards the effect of these statutory rates upon rates in other localities. They stand by thems lives. The decision in B.C. Coast Cities v. C.P.R. 7 C.R.C. p. 125 is not

now in point. The Supreme Court of Canada (1925, S.C.R. 155) expressly held that discrimination in rates authorized by Parliament cannot be regarded as unjust or discriminatory and that it was quite within the power of Parliament to provide that, on certain traffic on certain lines of railway, rates shall not exceed stated amounts regardless of any discriminatory effect which the making of such rates may produce. Being outside statutory territory this decision is not affected by the legislation of 1925.

X

I am of opinion that the application of British Columbia for reduction of domestic rates on grain should be dismissed. No case was made out to justify the granting of the application.

XI

Another outstanding and much disputed feature of the inquiry was the application by the provinces of Saskatchewan and Alberta, joined in by counsel for the province of British Columbia, to equalize throughout the west the rates on grain and grain products, as between the main line of the Canadian Pacific Railway and its branches, and to make applicable the rates so equalized to the Canadian National Railways and branches thereof. Branch line commodity rates have been permitted to be maintained at a figure slightly in advance of main line rates on the same commodities. The reason for this principle is set forth in the Western Rates Case, 17 C.R. C. at p. 153, and in cases there referred to.

In Mr. Neal's evidence (Vol. 496, p. 2018 to 2026; 2063 to 2064; Vol. p. 2414 and 2461; Vol. 498, p. 2647 to 2660) he outlines with particularity, the distinctive operating conditions on branch lines, as compared with the main lines, and shows the difficulties and increased cost of operation and distinctive features as to revenue between the two. This principle, however, has not been uniformly acted upon by the railways, inasmuch as in the filing of tariffs of class rates there appears to be very little, if any, difference between rates from branch line points

as compared with main line points.

Grain rates in force for some branch line points on both Canadian Pacific and Canadian National lines to Fort William, show increases over Canadian Pacific Railway main line rates varying from 1 to 3 cents per 100 pounds, upon approximately the same mileage. Again rates as between those two railways from points equi-distant from the common point of Fort William vary, but it is contended that such variation is in itself, and in the absence of any express legislation, no evidence of unjust discrimination, although for the same distance and to a common market, because one railway has no control over neither does it participate in the lower rate published by the other railway.

Ashland Fire Brick Co. v. Southern Ry. Co., 22 I.C.C. p. 118 at p. 120 (Case No. 3831).

But our own decision in Dominion Millers' Association in Eastern Ontario milling in transit charge—Board's Judgments, etc., Vol. VII, p. 290 is not of the same definiteness, although milling in transit charge and not the through rate, was involved.

I think, however, that regard must be paid to the legislation following the

appeal to the Supreme Court as to Crowsnest rates.

The Parliament of Canada has legislated with respect to rates on grain and grain products, and the rates therefore on these products, applicable to the railways within the territory, and under the conditions in the statute mentioned, riz., the amendment of 1925, are binding upon this Board, and I feel that while not expressly stated in the statute, the Board should give, under the circumstances, he widest and most generous interpretaion to the legislation, according to the

true intent, spirit, and meaning thereof, and, I think, that it is within the intent, spirit, and meaning of the legislation, especially having reference to the interpretation to be given subsection 6 of what is now subsection 6 of section 325 of the Railway Act, that the statutory rates should be preserved within the territory, by the railways, subject to them, with uniformity and equality, and that, therefore, I would feel that the Board should endeavour to conform to it according to

its conception of its spirit and meaning.

I think that the intention of subsection 6 was to overcome the holding of the Supreme Court, Crowsnest Appeal (1925) that rates put in under the Crowsnest legislation stood as statutory rates and were not subject to the charge of unjust discrimination. Within comparable mileage groups, in the territory subject to the 1925 legislation, branch line rates are slightly higher than main line rates—which, but for the legislation. I think is justified by traffic conditions on branch lines. This is alleged to be, under the interpretation of subsection 6 of the 1925 amendment, unjust discrimination, which the statute intends should be removed. I think that effect might be given to this construction of the statute, as regards these rates within statute covered territory. The details, or basis, upon which this can be worked out, may present some difficulty. It is desirable that there should be a scheme provided, which would do the most complete

justice, along the lines of uniformity and equality in these rates.

The Board's judgment in the 1922 general rates case, (Vol. 12, pp. 67 and 68) referred to the restoration of the Crowsnest rates on grain and grain products. These rates, applicable to Canadian Pacific mileage groupings remain as the standard of Crowsnest Pass rates, subject to the contention that there should be no variation as between main and branch line rates in the groupings, and that Canadian Pacific Railway Main line rates since the legislation of 1925, should govern those groupings. The meaning of subsection 6 of that legislation is perhaps capable of more than one construction, but bearing in mind that by P.C. 886, it is a direction to this Board that Crowsnest maxima are not to be exceeded in fixing rates on these basic products, and that any other adjustment as between north and south branch line rates would be difficult, if not impossible to make having regard to that direction, a basis is to be found by adopting Canadian Pacific Railway main line rates within the statutory territory and directing that brench line rates be placed on the basis of main line rates from points of equivalent mileage. Other railways in the territory should be ordered to so adjust their grain rates as to meet the rate basis applicable to the Canadian Pacific Railway as the measure of such rates on grain and flour. The Board is applying statutory rates, seeking equality of treatment in such application, and I think that the rates so built up would be just and reasonable in their application under these circumstances in a situation not free from difficulty and danger of injustice. I can foresee that there may be differences and perhaps difficulties in the working out of an exact basis, which will preserve exact equality and uniformity with respect to these rates. If such arise, they must be adjusted, if necessary, by separate application, to meet particular cases of difficulty and confusion.

XII

The city of Quebec and the Harbour Commissioners of Quebec presented, and strongly urged upon the Board, that the rates on grain and grain products, from Armstrong and Port Arthur to Quebec, all rail should be reduced. The proposal, presented to the Board, was that a rate of a fraction over 11 cents from Fort William to Quebec, should be declared by the Board to be a just and reasonable rate on those products. The matter was strongly and exhaustively argued, and in its presentation a great deal of ground was covered.

So far as Crowsnest rates are concerned, as fixed by the amending statute in 1925, a reading of the plain wording of that amendment shows that the rates on grain and grain products, fixed by statute, ceases at Port Arthur, and therefore cannot be applied east of there.

The language of the statute is:-

But such rates shall apply to all such traffic moving from all points on all lines of rail-way west of Fort William to Fort William or Port Arthur, over all lines now or hereafter constructed by any company subject to the jurisdiction of Parliament.

Then it is urged that the Board should look at the National Transcontinental Railway Agreement with the Government of Canada, chapter 71 (1903), and the statute of 1903, as a traffic circumstance and be governed thereby. By reference to the agreement it will be seen that in consideration of certain concessions, involving large expenditures by the Government of Canada, the railway company entered into the agreement; and section 42 of the Act is referred to by counsel as supporting their argument in favour of the establishment of these rates. Sections 42 and 43 of the agreement read as follows:-

42. It is hereby declared and agreed between the parties to this agreement that the aid herein provided for is granted by the Government of Canada for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels. The company accepts the aid on these conditions, and agrees that all freight originating on the line of the railway, or its branches, not specifically routed otherwise by the shipper, shall, when destined for points in Canada, be carried entirely on Canadian territory, or between Canadian inland ports, and that the through rate on export traffic from the point of origin to the point of destination shall at no time be greater via Canadian ports than via United States ports, and that all such not specifically routed otherwise by the shipper, shall be carried to Canadian ocean ports.

43. The company further agrees that it shall not, in any matter within its power, directly advise or encourage the transportation of such freight by routes other than

or indirectly advise or encourage the transportation of such freight by routes other than those above provided but shall, in all respects, in good faith, use its utmost endeavours to fulfil the conditions upon which public aid is granted, namely,-the development of trade

through Canadian channels and Canadian ocean ports.

The statute, except as to ratification of the agreement, does not specify any rates, or tolls; but, in section 42 of the agreement, it does specify "that the through rate on export traffic from the point of origin to the point of destination shall, at no time, be greater via Canadian than via United States ports, and that all such traffic not specifically routed otherwise by the shipper shall be carried to Canadian ocean ports."

By clause 45 of the agreement of 1903 the Grand Trunk Pacific Railway Company covenanted with the Government to arrange to provide upon both Pacific and Atlantic oceans, adequate ocean tonnage for the traffic on the railway, or the Intercolonial Railway, "as may be agreed from time to time." This covenant, incident to the leasing and operating of the Eastern Division, was

never performed in whole or in part.

The Crown in 1919 and prior thereto had been making advances or loans to nable the Grand Trunk Pacific Company to carry on and to meet its interest payments. Its operations had been confined to the Western Division. The Drown gave notice to the company that it proposed to cease further advances, rhercupon the company gave notice that it would cease to operate the railway. The Minister of Railways was apointed receiver of the company by Order in Council (P.C. 517) dated March 13, 1919, ratified and confirmed by chapter 22 f statutes for 1919. The Minister, as receiver, operated the Western Division, ntil turned over to the Canadian National Railways for operation. That railray, however, assumed none of the obligations of the Grand Trunk Pacific, and ; in no way concerned with, or liable to perform, any portion of the agreement f 1903. The receivership was terminated by Order in Council (P.C. 1101), ated May 27, 1927, which recited the circumstances, and evidences the fact that ne Grand Trunk Pacific Railway is defunct. The Government could not therere enforce any of the covenants or in any agreement it had made.

XIII

By chapter 52, 15-16 George V (assented to June 27, 1925) the powers of the Board "under this (the railway) Act to fix, determine and enforce just and reasonably rates, and to change and after rates as changing conditions, or cost of transportation may from time to time require, shall not be limited or in any main rajected by the provision of any Act of Parliament of Canada, or by any acreement made or entered into pursuant thereto, whether general in application or special and relating only to any specific railway, or railways, and the Board shall not excuse any charge of unjust discrimination whether practiced against shippers, consigness, or localities, or of undue or unreasonable preference, on the ground that such discrimination or preference is justified or required by any agreement made or entered into by the company, etc." Rates on grain and flour, however, are left under Act of 1897.

The wording of the section is plain and emphatic and incapable of any misunderstanding as to its wide and geenral meaning and application. "Any Act of the Parliament of Canada"—or, "any agreement made or entered into pursuant thereto" must necessarily include, just what the word "any" means, viz., Crow's Nest Pass Act and Agreement; The Manitoba Canadian Northern Agreement: The National Transcontinental Act and Agreement; and any other Act of the Parliament of Canada, or any other agreement made pursuant thereto, of the same or similar, rate fixing character. In the sense in which the word "any" is used it includes, with one exception "all" agreements or statutes.

I do not think therefore that the provisions of the Act of 1903 referred to, are now binding upon this Board so as to limit its jurisdiction, under the Railway Act, to fix, determine and enforce just and reasonable rates, and to change such rates as changing traffic conditions or costs of transportation may require.

I realize, however, that there is much force in what is set out in the judgment of the Deputy Chief Commissioner, in support of the export rate asked for. The Order in Council under which we are directed to examine the present rate structure, in effect by emphasizing the policy of equalization, and the encouragement of the carriage of Canadian products to and through Canadian ports, I think lays upon the Board a duty to examine all features at present prevailing under the present rate structure, and, if possible in the exercise of the Board's jurisdiction under the Railway Act, to mould rates in accordance with the policy referred to. I am much impressed, having this in view, with the view of the Deputy Chief Commissioner and would agree in his conclusion that the present through export rate on grain to Quebec may be varied as to the portion Armstrong to Quebec. The reduction proposed is a drastic one, but it has in view a particular object of great national importance which it is our duty to consider as a desirable change in the rate structure committed for our examination. If any less reduction of the export rate referred to would meet the conditions and provide the remedy I would prefer it having regard to the financial position of the railways, but I realize that anything more than the rate proposed would not meet the foreign rate. It is an export rate pure and simple and as such is on a different plane than domestic rates. After very anxious consideration of all that has been submitted, and of the broad sphere of national conservation of such traffic referred for our consideration, I am constrained to accept the conclusions of the Deputy Chief Commissioner. The rates to Maritime ports are quite in a different position and the reasoning as to Quebec is confined to that outlet.

The rate may prove unproductive of the benefits expected to result from it. I have some doubt about that, but I would prefer having regard to all the important factors involved and as an expert rate, to broaden rather than contract the manner of dealing with it.

Grain finds its way into the elevators at Quebec from the west by rail and lake in increasing quantities as is shown by the following figures:-

37		0
Year	Up to July 9	Total for the year
1923	000 004	
1924	923,804	3,733,936
1924	843, 151	2,505,631
1925		2,441,288
1920	1 199 204	5,918,016
1927	3 380 060	
		8,000,000
		(estimated)

It will be seen by the above table that there is a substantial increase in the last four years, in the movement of this grain via the natural water channel, and that this substantial improvement through such natural channels, available for such traffic, has been effected, so far without any change in the general rate structure as is involved in this application. It is to be hoped that the reduction will stimulate further the export of Canadian grain through Canadian channels, and divert such traffic from foreign channels.

XIV

The application on behalf of the Quebec Harbour Commissioners also asked that the export rate on grain from Bay ports to Quebec and the rate on package freight and general merchandise from Toronto and points west of Toronto to Quebec for export should be placed on the same basis as the rates to Montreal. This, in effect, it seems to me, links up Quebec and Montreal by the same rates for export as is the case of St. John and Halifax. The rate on export grain Bay ports to Montreal is 8.6 cents a bushel; to Quebec, Halifax and St. John, 9.1 cents per bushel. Quebec now takes the rate of the far distant maritime ports, instead of the nearer port of Montreal.

The export rate on general commodities from Toronto and points west thereof in the same grouping, is 2 cents per 100 pounds higher to Quebec and Montreal. I think that these might be equalized as above. In that respect I

concur in the view of the Deputy Chief Commissioner.

XV

Grain rates, Fort William to Montreal and Quebec, during the season of navigation, are low and conducive to substantial movement. The outlet from St. Lawrence ports is, of course, useless after navigation closes. The lake rate since 1st June last has declined from 71 cents per bushel down to 6 cents per Up to a period between the 15th July and the 1st August between forty and fifty lake steamers have discharged grain cargoes at Quebec.

The rates on export wheat, Bay ports to Halifax, St. John and Montreal, respectively, with distance of haul, as compared with similar factors of haul

from Buffalo to New York, are as follows:-

CND Mill 1 24	Miles	Per Bushel
C.N.R. Midland to Montreal. C.N.R. Midland to Halifax		8.60
		$9.10 \\ 9.10$
Erie R. R. Buffalo to New York. The rates include elevator charges.	425	9.10

The export rate on wheat, Midland to Montreal, is practically the same as the Buffalo-New York rate, viz., 8.60 for 383 miles, as against 9.10 for 425 niles

To ship grain in winter from Canadian bay ports to Halifax and St. John or export as ballast in Canadian passenger ships via Canadian railways nvolves a haul of 1,183 miles to Halifax, and 836 miles to St. John, as against 125 miles Buffalo to New York, at the same export rate, which means that the Canadian railways receive about three-tenths of a cent per ton mile, a losing 62863-151

rate, and the American railways about three-quarters of a cent per ton mile for the fauls or a 40 per cent advantage to the American railways in getting the wheat on an occean vessel for export. To this 40 per cent disadvantage to Canadian railways by this route is to be added the advantage of New York, and American Atlantic ports offering similar export rates from Buffalo, in more readily securing ocean tonnage as required, a profitable rate, and for the quantities of the shipments desired to be made.

After the close of navigation grain in storage at Buffalo commands, on an average, a slightly higher price than at Bay ports, because of the facility with which it can go forward according to the exigencies of the export grain trade. The western farmer, patriotic though he is, can hardly be expected to pay for his patriotism by a reduced return from his shipment due to these natural conditions, and he is not unnaturally silent as regards any vigorous claim that his wheat shall follow Canadian channels to and through a Canadian seaport. His interest in obtaining the best price available for his wheat is the interest of this country at large and must be protected. To lower the Canadian rail rate to the seaboard at further loss to the Canadian railways, would not meet the difficulty of ocean tonnage. The loss to Canadian railways would be without compensatory features because of ocean shipping conditions; and it is manifest that a reduction in Canadian rail rates from bay ports to Canadian ocean ports can be readily met, under the figures above set forth, by American railways, who can easily reduce their rates on their shorter and more profitable haul to their Atlantic ports where ocean tonnage is plentiful and retain the business, the net result attained being added loss to Canadian carriers.

Halifax and St. John, as winter ports, handle the grain stored at bay ports, under competitive rates with American railways. I think it is reasonable to conjecture that any lowering of present rates, by any route, to those Canadian ports, would promptly be met by American competitive railways, who have the additional advantage of greater volume of ocean tonnage.

I do not agree that the suggestion of such possible action on behalf of United States competitors is entirely imaginary. United States lines and transportation systems are keenly alive to the situation and would naturally endeaveur to maintain the traffic they have and which flows to them through channels now open. Can it be said that the lowering of inland Canadian freight rates, upon grain and flour with a view of diverting the traffic to Canadian ports that American ports now enjoy, will induce American transportation lines to surronder that trade quietly and without opposition to Canadian transportation systems? If they do, they are departing from what is a very ordinary course as between highly competitive systems, for the securing and retention of traffic. That the competitive situation, as between the Port of New York and that of the ports of the St. Lawrence is not overlooked, but that on the contrary is being anxiously and critically scrutinized along the lines and with the objects indicated above, is apparent from the commercial publications of the day. The following quotation, from an article appearing in the New York Journal of Common, of July 6, 1927, evidences the activity and watchfulness of those interested in the port of New York:-

SAYS PREFERENCES DIVERT CANAL TRADE

BARGE OPERATORS ASK INQUIRY INTO DISCRIMINATION AGAINST NEW YORK

An effect is to be made by members of the Barge Canal Operators' Association to induce the various commercial organizations of the port of New York to use their influence to bring about an investigation of discriminatory practices held to be responsible for the diversion of a large volume of traffic from the New York State Barge canal to both the St. Lawrence and Mississippi, it was learned yesterday.

"The port of Montreal," J. H. Muller, manager of the Canal Division of the Transmarine Lines, said yesterday, "is now handling much of the grain traffic which might be expected to come through the Barge canal to New York under ordinary circumstances. Last season Montreal handled some ninety million bushels as against New York's twenty million bushels. This diversion is due mainly to the special inducements offered at Montreal."

There is no threat in the above suggestion. It is merely what might naturally be expected from business interests, called upon to face a situation which threatens their interests. It would not be surprising, or unusual, from a business point of view if reductions of rates in Canada on that particular class of traffic were met by reductions in American inland rates of transportation. The shorter route to ports more easily available, and where ocean tonnage is more plentiful, would tend to retain the trade in the present channel, while inflicting loss of revenue to the Canadian railways engaged in the traffic, and which loss would be a burden upon those railways, and, possibly ultimately to the Canadian people. Such a result is to be carefully guarded against in deciding upon the most efficient methods to promote and conserve the carriage of our Canadian traffic through Canadian ports.

The exports of Canadian grains via United States ports, and of American grain via Canadian ports, are shown by exhibit F.H. 213, and since 1923, may be summarized as follows:—

CANADIAN GRAIN VIA UNITED STATES PORTS

	1926	1925	1924	1923
New York Philadelphia Baltimore Boston Norfolk Portland Total (bush.)	14,789,559 14,435,370 4,867,948 699,500 7,532,166	92,307,498 23,241,704 10,241,635 4,620,343 330,525 6,370,130	67,651,332 20,140,052 15,398,606 4,015,728 2,985,520 7,504,222	75, 123, 035 22, 136, 364 17, 162, 665 9, 880, 504 1, 414, 857 18, 877, 713

AMERICAN GRAIN VIA CANADIAN PORTS

	1926	1925	1924	1923
Montreal Quebec W. St. John St. John	195,603	51,890,226 198,333 4,184,979 713,268	68, 659, 959 1, 385, 675 1, 239, 786 514, 645	33,704,531 741,017 1,491,007 113,688
Total (bush.)	39,063,410	56, 986, 806	71,800,065	36,050,243

The larger percentage of Canadian grain exported via American ports goes through New York, Philadelphia, and Baltimore, while most of the American grain for export through Canadian ports comes to Montreal.

The 1926 figures above quoted show, in the detail figures in the exhibit, that in the season of navigation at the port of Montreal (May-November) 37,216,414 bushels of Canadian grain found its way to New York, 3,057,484 to Philadelphia, 5,540,308 to Baltimore, 2,466,819 to Boston and 330,913 to Norfolk, a total of 48,611,938 bushels—while there were diverted to Montreal for export during the same season, 34,933,799 bushels, and Quebec 195,603 bushels, a total of 35,129,402 bushels of American grain, or 13,482,536 bushels in favour of American ports.

The figures (1926) for winter months (January to April and December)—when St. Lawrence ports were closed—show that 73.007.518 bushels of Canadian grain were exported through American ports while 3.934.008 bushels of American grain found its way through the ports of St. John and West St. John. This would be grain from contiguous North Western States of late shipment—or in storage at St. John for shipment on orders.

The conclusion is fairly obvious. The Canadian grain was shipped lake and rail, during lake navigation—to strategic bay ports, there to be ready to go forward for export, at any time, it was sold, and the facilities of getting ocean tonnage suitable for the carriage of the bulk sold at an American or winter port, as against those offering at our maritime ports, plus the shorter haul to the seaboard, and better ocean rates, would be the important factors causing the diversion to the nearest ocean port, for the quicker, more suitable and more economical ocean shipment there available. The farmers and exporters of wheat are concerned with the routing of shipments for export via the shortest and most feasible route, having regard to the requirements of market conditions and geography and climate favour the American ports for this trade. Canadian railways have met a New York and Atlantic coast rate from Buffalo-by hauling wheat to St. John and Halifax, 836 and 1.183 miles respectively, at the same rate as American railways receive for hauling it 425 miles, and yet the wheat goes to American ocean ports, because the methods of selling and conditions of the grain export business send it there, and I am not so conversant with the intricacies of the export grain business to be convinced that any change would result in those methods of carrying on that business, from making further cuts in freight rates—already unremunerative, or in attempting by low, unremunerative and experimental rates to endeavour to open up new channels, and inspire or induce new methods of marketing export grain through those channels. Upon what is before us I would not be inclined to take the risk involved in the hope of

The subject is of wide importance and presents many angles for deep consideration. While it may be found that a solution of all the problems involved is not to be found in drastic reductions of inland freight rates to the Canadian Seaboard, or in the enlargement of facilities for handling grain and flour at one or more Canadian ports, investigation into and comment upon the whole situation would not be out of place even though such may but serve to indicate the extent of the difficulties and complexities with which the grain movement is surrounded as regards every effort to induce the transport of these commodities at least in larger volume than at present, to Canadian ocean ports, and reduce the passage of that traffic, through American channels to American ports.

Those difficulties, in my opinion, are concerned more nearly with, amongst others.—

- (a) The nature and complexity of the grain export business within itself, and the futility of attempting to alter, or vary, the basis upon which such business is carried on, without great danger of loss in the Canadian grain business, which would be visited upon the western farmer;
- (b) The danger involved in providing measures tending to prevent the free shipment of Canadian grain and grain products through all normal and economic channels available to the Seaboard, having regard to the nature and intricate character of the grain business, and of hampering the free marketing of shipments to the markets of the world, in quantities, at times and seasons, and at the best prices obtainable therefor, without causing such a loss to the producing farmers and the Canadian trade generally;

(c) The uncertainty and unreliability, to the Canadian grain merchants, in finding suitable ocean tonnage available by liner or tramp steamer, for the shipments he sells overseas in the quantities and at the times, when, by the exigencies of the trade, such must be transported to the overseas buyer.

The increase of elevator capacity and facilities, at ocean ports, and the cutting down of inland freights to the Sea are not, of themselves, factors to aid in the solution of such a difficulty. There must be attracted, to our Canadian ports, ocean tonnage in sufficient quantities, and of a character suitable for the grain export business, and readily available thereto according to the character of that business. It is not unnatural that the United States of America, with a population of more than ten times that of Canada, and with a vastly larger import trade, should attract to its ports ten times more ocean vessels than from the ports of Canada. These vessels looks for the return cargo. As regards grain, the "liner" would appear to be more suitable for ocean shipment than the "tramp", because, the former is looking for smaller consignments, of "parcels" of grain, while the "tramp" can only be utilized for full cargoes. If Canadian grain were to move in one stream; as it were, to one or more ocean ports in Canada, the "tramp" would probably serve the business, if sufficient "tramp" tonnage could be secured, but the grain business is not carried on in that way. The grain is sold, as it is required overseas, not in large shipments as a rule, but in "parcels," that induce a liner to accept, at a low rate, as "stiffening" cargo, for its return trip; but which a "tramp" steamer would not take, except at an excessive rate.

·While Great Britain is the largest buyer of Canadian grain and flour. and there is necessarily a large cargo business handled by large exporters, by tramp steamers making full cargoes out of it, the Canadian grain and flour export business, as a rule, is not carried on, by large cargo shipments. There may be fifty different countries bidding for our grain and flour and there is keen competition for the business of the Canadian grain exporter. The shipments making up the large exportation, distributed as they are, to many countries, are not full cargo shipments; but are in quantities suitable to the requirements of the trade of the country of destination. They are not carried by tramps, but are largely "parcel" shipments carried by liners. As Canadian trade expands, more ocean tonnage will, in the natural courses, be attracted to the Canadian ports, east and west; but unless, and until it is certain that ocean tonnage is as readily available, at a Canadian port as at an American port and at rates, which would be as profitable to the Canadian farmer, I do not see that the lowering of inland freight rates to the Seaboard, or large expenditures at ocean terminals are of themselves of conducive benefit in deciding upon economic changes in channels of transportation to the Seaboard.

XVI

Some American grain finds its way through natural channels, rail, lake-and-rail, in open season, to the Port of Montreal. There is an outery against it, as is indicated by the quotation from the "New York Journal of Commerce" which I have quoted. Therefore, what Canadians are complaining of, as regards Canadian grain finding its way to American ports, Americans are complaining of as regards their wheat finding its way to the St. Lawrence, though in lesser quantity, for shipment through a Canadian port. In both cases, in the dim light we have at present, upon the intricacies, complexities, and highly sensitive refinements of the export grain trade, the traffic would appear to follow natural and economic channels to the sea, and whether those

channels can be closed by either country, and the traffic of each country diverted to its own channels involves broader and more extended and searching scrutiny of all factors and elements involved than is possible in this inquiry, under the limited powers of the Board.

XVII

Under the Railway Act, the duty of this Board is to determine what are fair and reasonable rates for transportation services performed. That duty is affirmed by the Order in Council new under consideration, and is more specifically made clear, if that were necessary, by Order in Council P.C. 2434, dated October 6, 1920, upon an appeal from an Order of the Board of September 6, 1920, and known as "The Forty Per Cent Increase Case." From that Order in Council I extract the following clause:—

In connection with this appeal it must be observed that one of the duties, if not indeed the principal task, of the Board of Railway Commissioners, is to determine upon application, what are fair and reasonable rates to be charged from time to time for the various services performed by public utilities under the jurisdiction of the Board. In such determination there must of course be taken into account, as has been done in the present case, all relevant circumstances such as changes in the scale of wages, and the cost of materials. the effect of competitive means of carriage, whether by lake route or by lines to the south. and such other facts as may be established and as are found pertinent to the issue by a lawfully constituted judicial tribunal. For the purposes of this work the Commission not only has the advantage of hearing the evidence and following the cross examination, but brings to bear the experience of its own members, extending in many cases over a considerable number of years, and the familiarity with railway problems thus acquired. It has, in addition, at its disposal a permanent staff of expert officials trained in the various branches of the work of the Board and able to advise the Commissioners in the many intricate and more or less technical subjects that are before the Board for adjudication. It follows that a decision of the Board so arrived at as to what may constitute under all the circumstances a fair and reasonable rate, could not, except for extraordinary cause, be usefully reviewed by Your Excellency's Advisers. Indeed, for Your Excellency's Advisers to take upon themselves to weigh the evidence adduced and substitute their own judgment for the judgment of the Board upon the question of fact arising on the issue and to be determined upon such evidence would defeat the purpose for which the Board of Railway Commissioners was created and would in the end be highly prejudicial to the public interest.

Under the Order in Council, from which I have quoted, the Board is directed, in arriving at what constitutes a fair and reasonable rate, to ignore the requirements of our great National Railway System, and therefore to base same upon the requirements of the Canadian Pacific Railway—a privately-owned railway corporation. I quote the following language:—

What constitutes a fair and reasonable rate should now be arrived at without reference to the requirements of the Canadian National System and Your Committee recommends that the Order in this case be referred back to the Board to be corrected in its findings in such manner as to determine what are fair and reasonable rates without taking into account at all for the time the Order shall be in effect, the requirements of the Canadian National System.

It has been intimated by the learned Chief Commissioner, in the course of this inquiry, that this direction should continue to bind the Board. While I receive his ruling with deference and respect, I cannot quite recognize the cogency of it, as it appears to me along the lines of the argument of Mr. Fraser, K.C., counsel for the Canadian National Railways, that the Order in Council from which I have quoted, is no longer directory of the functions of the Board as regards ignoring the requirements of the Canadian National, and that, in this inquiry, the Board should apply principles of fair returns to all railways concerned, without regard to the fact that one of them is nationally owned. I think the Canadian National Railway as a great national railway system in Canada, giving the most efficient and satisfactory service over a very large mileage in this country, is entitled to have conserved to it, just

and reasonable rates, built upon the same principles as those which, under the

Railway Act, the Board applies to privately owned railways.

However, for the purposes of this enquiry, I will deal shortly with the financial situation of the Canadian Pacific Railway, while reserving my views as above.

The surplus of the Canadian Pacific Railway Company as shown by Mr. Lloyd's evidence is, for 1926, \$7,462.825. The average net surpluses of that railway, during three quinquennial periods, as shown in Exhibit No. 155, in Mr. Lloyd's evidence, are as follows:—

AVERAGE NET SURPLUS

		Average
1911-1915		
1916–1920 (War years)		
1921–1925	1,377,635 on net earnings of	37,072,892

It is to be observed, that in round figures the average net surplus for the period of 1916 to 1920, being war years, was \$2,500,000 less than the average net surplus for the preceding quinquennial period. In the period from 1921 to 1925, the average net surplus had dropped by over \$6.000,000 in the average, so that during those latter years, upon average net earnings exceeding \$37,000,000 there was but an average net surplus per year of \$1.300,000, while in the quinquennial periods 1911-15 there was an average net surplus of over \$10,000,000 on average net earnings of \$38,000,000, or about the same as for the last period quoted. And, during the war years, embraced in 1916 to 1920, the average surplus was in round

figures \$7,600,000 upon average net earnings of over \$40,000,000.

While working expenses and taxes have grown from an average of \$77,199,518 for the quinquennial period 1911-15 to an average of \$151,205,536 in the quinquennial period of 1921-25 (reflecting the large increase in wages, material and all costs of operation resulting from the war) net carnings—\$38,349,937 as average for the first quinquennial period while increased in the second to an average of \$40,364,573, in the second, are reduced in the third period (1921-25) to \$37,072.892, or over a million dollars less than the average of the first, and over three million dollars below the average of the second quinquennial period. Fixed charges have increased from an average of \$10,533,236 in the first period, to \$13.869,487 average in the last period shown.

The amount of property investment made by the Company in the railway and equipment must be considered and is a vital factor in determining the necessities of the railway upon which to base just and reasonable rates, having in view, in the making of rates the principle of fair return, upon such railway property, held and used for railway service. This is set forth also in quinquennial periods, in Exhibit 156, filed upon Mr. Lloyd's examination. That Exhibit shews the following figures relative to average percentage of surplus

earned to the investment in such property held and used:-

EXHIBIT 156, AVERAGE PERCENTAGE OF SURPLUS TO INVESTMENT

	Average
1911–15	1.417 on property investment of \$708, 293, 054
1916–20	•910 on property investment of 839, 122, 140
1921–25	· 149 on property investment of 921,814,800

During the first quinquennial period the average was 1.417 per cent upon a property investment for over \$700.000,000 average. During the period 1916 to 1920 containing war years, that average percentage was reduced to 910 per cent on an average property investment of \$830,000,000. Such a shrinkage might be anticipated as the result of war periods, but, for the quinquennial period of 1921 to 1925 the average surplus had again shrunk to .149 per cent on a property investment, average, of \$920,000,000.

XVIII

The question of "fair return," upon property value, held for and used in Its service of transportation has been the subject of consideration and direction within its jurisdiction of the Interstate Commerce Commission, as outlined in Mr. Lloyd's evidence, volume 493, pages 1022, et seq.

Section 15 (a) of that Act passed in 1920, upon the advice of the Commis-

sion, provided as follows:-

In the exercises of its power to prescribe just and reasonable rates, the Commission shall initiate, modify, or adjust such rates so that carriers as a whole-or as a whole in each of such rate groups or territories as the Commission may from time to time, designatewill, ander honest, efficient and economical management, and reasonable expenditures, for maintenance of way, structures and equipment, earn an aggregate annual net railway operating income, equal as nearly as may be to a "fair return" upon the aggregate value of the railway property, of such carriers held for and used in the service of transportation.

For the two years beginning March 1, 1920, the Act fixed the "fair return" upon the property value at $5\frac{1}{2}$ per cent. The Commission was allowed by the Act to add an extra $\frac{1}{2}$ of 1 per cent of the property value to make provision, in whole or in part for improvements or betterments chargeable against capital account. This was done and the percentage fixed at 6 per cent during this period. At the present time, the rate has been fixed at $5\frac{3}{4}$ per cent, which has been in force since 1922. I see no reason why Canadian railways should not be allowed to earn a similar rate upon the value of its property held and used in the service of the public. If transportation service is to be maintained in this country in a state of efficiency, suitable for the purposes of the traffic in all parts of the country which it has to carry, I think it is a reasonable business proposition, which will appeal to all classes using or being served by the railways, that such a percentage of fair return should be followed in this country.

It is axiomatic that no railway company, or public utility, can give efficient service to the public at a loss. This Board has always recognized the principle of fair return, and applied that principle, in a fair and just manner, as circumstances have permitted in fixing and enforcing just and reasonable rates. The present learned Chief Commissioner of this Board emphasized that principle in the following remarks quoted from a speech made by him before the Board of Trade in the city of Calgary, Alta., on November 17, 1924, shortly after he

One thing I would like to say to you, something which goes practically without saying, is that the transportation systems of our country require a certain amount of revenue to carry on their work. They require a certain amount of revenue to carry on that work successfully and in a way which will justify the activities in which they are engaged, and enable them also to branch out in the future, so that parts of the country which are as yet untouched by systems of transportation may be brought into the circle, thereby adding to the productive area of the country, and building our prosperity upon a broader and a

It goes without saying, I remark, that the transportation interests of the country must be looked at, and we cannot by cutting off here and cutting off there, however much it may be desired, alleviate the burdens which may be placed upon individual localities;

we cannot pursue that course beyond a certain point.

Let me stop at this point long enough to say that just where that point is, is a matter of inquiry. That inquiry is not an easy one to make; it is one which covers the whole transportation system, which is a varied system, which has many intricacies, which is made up of many component parts, which has lines of different kinds, all under its jurisdiction; all of these details are involved in coming to a conclusion as to what amount in the aggregate is a fair return for the railways to make in order that they may carry on honestly, fairly and prosperously. I leave that subject just with this remark, that I am thoroughly convinced that there is not one of you who will not see perhaps more easily and more quickly than I see it, that carrying relief beyond a certain point, where reduction in freight rates hinders the effective working of our transportation systems. reduction in freight rates hinders the effective working of our transportation systems, would instantly reflect itself in a lowering of the business life of the country because of a lack of the facilities of which we would be thereby deprived.

And at Regina, Sask., on November 19, 1924, the learned Chief Commissioner further emphasized this fundamental principle of ratemaking in the following language:-

In the first place there is this phase of our national life, in connection with the commercial and transportation interests which must be ever borne in mind, and which I preface with this remark, with which I think we will all agree, I have never yet been where the most violent attacker of our transportation systems has taken the ground that these

the most violent attacker of our transportation systems has taken the ground that these systems should not be allowed to have rates sufficient to reimburse them for their running expenses and a fair return for the money invested.

We must remember, gentlemen, that there must be levied upon the traffic of the country, the passenger and freight traffic of the country, a sum sufficient to pay for the service which is being rendered, to pay a fair return upon the money which has been invested in them, both by those who may hold stock in the privately owned company, and the

rest of us who are all stockholders in the great Canadian National Railways.

I entirely commend and subscribe to the principle stated above, and I confidently present it, for practical application, especially, in the present inquiry where it is important that it should be recognized in dealing with the whole Canadian Railway Rate situation.

The Canadian Pacific Railway Company, in its average return for the quinquennial period of 1921-25, only obtained a "fair return" on its investment of \$921,000,000 odd, during an average of 255 days in each year; so that, as Mr. Lloyd points out, on an average of 110 days a year, for five years, the public has practically the free use of the railway's transportation facilities below cost. The average return, upon the investment as is shown, has been steadily decreasing, and lately, as shown by results, for the month of May and June, the decrease has been marked.

For the month of May, 1926, the net revenue was \$2,448,876. For May, 1927, the net revenue was decreased over the previous year, for that month by \$417,245. There was a decrease in revenue of \$278,397 in 1927 (May), and there was an increase in expenses of \$138,848, resulting in the net decrease noted above. Then taking the six months 1927, to June 30, the figures are as

SIX MONTHS TO JUNE 30

	Revenue	Expenses	Net
1927		75,830,264	13,012,300
1926	85, 227, 786	71, 271, 099	13,956.687
Ir	3,614,778 Inc		

The revenue for six months to June 30, 1927, was the largest since 1920. The expenses for six months to June 30, 1927, were the heaviest since 1920. With a decrease in the net revenue, in 1927, for six months, of nearly \$1,000,000 over that of 1926, and with the uncontradicted evidence that no fair return has been realized by this railway company, upon the present basis of rates, the apt and emphatic warning of the learned Chief Commissioner in the quotations I have made are very pertinent, and a matter of practical application of the basic principle of rate control to existing conditions.

The gross earnings for the month of July, submitted to the Board, show a reduction of \$559,000 as compared with July, 1926. The gross earnings for July, 1926, were \$16,049,000, as compared with \$15,490,000 for July, 1927,

leaving the difference stated, as decrease.

XIX

It is pointed out in Mr. Lloyd's evidence, and in statements furnished by the railway company at the request of the Board, that annual wage increases have had to be made, which will decrease the revenues of the company by \$5,000,000 per annum. The effect of these is already beginning to be felt, and is reflected in the increase of expenses, in the month of June and more so, in July Ordinary business management, honest and efficient as it must be, would require in the face of this statement, that drastic economics be practised to meet falling revenues, and which economies must necessarily involve a curtailment of the transportation service available to the public, to meet the financial ability of the railway company to furnish it. The requirements of the trade of this country make imperative, as one of the inducements, for the free and satisfactory interchange of commerce, between all parts of this country, that transportation service should be kept and maintained in a highly efficient state, and therefore the aim and spirit of the Order in Council cannot, in my opinion, be obtained by fixing, under the disguise of just and reasonable rates, rates which are unproductive, unremunerative, and, which furnish so inadequate a return that railway companies must retrench instead of expand their service placed at the disposal of the public.

Having regard to above general financial conditions of this railway, as shown by its statements filed with the Board, and to the demands insistently made upon it, in this investigation, for extensive changes in the rate structure, under various headings, which would involve large rate reductions, the estimated figures, as closely as they can be obtained of losses in revenue, under the different heads, of the proposals made, for such changes, may well be referred to. With a falling revenue, the estimated situation of this railway, as from the end of

he year 192	6. to be	faced is	as fol	lows:
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Surplus—1926 Deduct wage increase—annual—arranged since 1926, and not	\$	7,462,825
otherwise provided for		
Deduct estimate of loss in revenue of branch line grain rates		
reduced to main line basis, eastbound based on year 1926. 949,573 Loss in revenue (est.) resulting from westbound export grain rates to Pacific being reduced to C.P.R. main line basis to		
Fort William, based on 1926. 521,849 Loss (est.) if mountain differential removed (Stephens' evi-		
dence)		
only in Buffalo—New York rate		
Total loss of revenue (annual est.)		
and dividends—annual		1,458.597
\$ 8,921,422	S	8,921,422

It will be seen, that although the company's figures are estimated, and apprehensive only, and, it is to be hoped will, in the result, not prove so gloomy. the result of any such rate reductions as are sought and which were pressed upon this Board, as changes which ought to be made in the Canadian railway freight rate structure, can only be regarded with serious apprehension as regards the possibility of this railway company being able to furnish adequate railway service, such as would increase and not reduce the transportation facilities of this country, in terms of the spirit and meaning of the Order in Council. No business organization could contemplate such changes and drastic reductions in revenue, without measuring the time when it would have to cease to do business. For a rate controlling Body, as this Board is, created by Parliament, for the express purpose, as recited in the Order in Council, of fixing, determining, and enforcing, just and reasonable freight rates, based upon the principle of fair return, to make, or to recommend, reductions, or readjustments in freight rates, which would bring any one railway company, giving vast transportation service in this country to a state of financial condition where it has to face the possibility of a deficit,

or shortage, in amount required to pay fixed charges and dividends of nearly one and one-half million dollars annually, would be entirely subversive of the principles of its constitution, of the highest interests of this country and of the true spirit and meaning of the Committee of the Privy Council, which delegated to this Board the duty of investigating the whole freight rate structure.

XX

Now, what is to be the result, if any such changes, as those involving these large reductions in revenue are made? It may be said, as regards the estimate of loss in revenue of \$949,573, resulting from the equalization of rates on grain and grain products to main line rates, that if the reason for so doing is an unjust discrimination, its effect upon the revenue is not a factor for consideration in

removing the discrimination.

If that be the case, the result will be serious enough. It would practically leave the railway company without any reserves and consequently without any fair return upon the value of its property used in transportation service. Such a situation as that was emphatically dealt with by the Board, as recently as February this year, in the case of the Bell Telephone Company of Canada. reported volume XVI, Judgments, Orders, etc., of the Board, p. 230, where rates of public service were placed upon a basis of return, which would leave a surplus of 2 per cent over all charges and dividends. The whole loss of revenue involved must be made up somewhere, so that the railway company may be maintained and assured, in a position, in which it can give the transportation service expected of it, and to expand that service, as the trade of this country increases and its commercial conditions require. That is a vital necessity, as a consequence of the opinions of Council in submitting the matter of the whole freight rate structure for investigation, and I am sure, from a reading of the Order in Council that no such calamitous results as those indicated were for a moment contemplated, in referring such a matter to us for investigation. From what sources then is this deficit to be made up? It cannot be "smeared" over the whole freight rate structure. It is not practicable to do so. That was decided as far back as the Western Rates Case 1914 and is a sound proposition. It would mean that those not enjoying, and not served by the special features involved in the changes would have to pay their share in freight rates, now found to be just and reasonable, by increase thereof. If there is to be a general freight rate increase throughout this country, on a general percentage basis, that will be a result which I fancy was not in contemplation of the Privy Council in remitting the inquiry to this Board. Such would have the same results as above outlined. The rates must of themselves at the time of their creation, be found to be just and reasonable and on the basis of yielding a fair return. It is palpable, that this Board would be entirely forsaking its functions if it were to act upon any different principle. Board cannot guess where loss of revenue such as this is to be made up neither would it avail, or would it be a proper, or reasonable exercise of its functions to build up and put into force rates involving such results of financial loss and put them into force with the pious hope, whether believed in or not, that the loss or revenue entailed would be made up somewhere, at some future time, and in the meantime cripple the transportation companies, prevent adequate and efficient railway service and inflict injury upon the shipping public and obstruct the free interchange of commerce to the detriment of the public. Such a result, disastrous, as it will undoubtedly prove to be to the interests of this country, cannot be contemplated, under the circumstances presented to us and plainly exhibited in this inquiry. We must start on a sound basis and then build on it.

IXX

The foregoing observations apply with equal force to the financial requirements of the Canadian National Railways. That National System is entitled, in common with all other railways, to have its rates maintained and assured to it, under the Railway Act, upon the same principle of fair return. The dicta of the Chief Commissioner, upon that principle, which I have quoted, is an affirmation of all the decisions of the Board upon the question, and forms a cardinal principle of rate building and rate control, and must be universally respected and applied. Because the National Railway is owned by the people of this country is no excuse, or justification, for relaxing that principle, to the detriment and loss of that railway system, which loss must be borne and paid in additional taxation by Canadian people, thus arrogating to this Board tax imposing functions in abuse of its powers.

HXX

There are many subjects involved in the inquiry to which I have not referred. They are referred to elsewhere in the judgments of the Board. I have endeavoured to express my opinion upon some of the outstanding ones, and my views, as regards those subjects, while general, are based upon what is before us in evidence and argument.

I am opposed to the removal of the mountain differential rates, and to the extension of Crowsnest rates, or any export rates built upon, or on a parity with those rates, from Armstrong, Fort William or Port Arthur to the Maritime

ports and those applications fail, and should be dismissed.

As to export grain rates westward to Pacific ports, for the reasons stated I think that the logical basis of rates is that prescribed by the Board in its 1923 judgment I have referred to. If these rates were to be put upon the same basis as rates eastward to Fort William, Canadian National mileage. Edmonton to Vancouver, should govern the Canadian Pacific rate Calgary to Vancouver, viz., 766 miles.

I am willing, under the special circumstances shewn, though with some misgivings, that the Canadian National Railways be ordered to publish a tariff showing a rate of 18-34 per 100 pounds on export grain from Port Arthur, Fort William, Westfort and Armstrong, Ontario, to the city of Quebec, and that all railways file tariffs showing the same export rates to Quebec port as to Montreal on export grain from bay ports, and all export traffic from

Toronto and points west thereof.

In making these observations I have endeavoured to keep in view that the investigation required to be made by the Order in Council of the Canadian freight structure calls only for the conclusions of the Board as the body constituted under the Railway Act "with full power to fix, determine and enforce just and reasonable rates." No question of public policy is within the scope of the investigation, as I read the Order in Council, because no such questions are within the Boards functions as defined by the Railway Act. If I am right in this view, this Board, within its jurisdiction, is asked to review the rate structure, and under the powers it possesses under the Railway Act, to make such changes in that structure as it considers will best fulfil the requirements of the Act. If involved therein, or arising thereout, questions of public policy present themselves, they are not for this Board to consider or pass upon; the duty of the Board is confined to its administrative functions under the Act as that Act is made binding upon it by the paramount power of Parliament. The Order in Council, as framed, invokes and requires the full performance of those duties.

COMMISSIONER LAWRENCE:

I concur in the judgment of the majority of the Board in respect to the differential mileage allowed the Canadian Pacific Railway Company in the Mountain district.

In evidence at p. 2312, Vol. 497, Mr. Neal of the Canadian Pacific Railway states: "The actual total lift westbound from Medicine Hat to Calgary is 2,319.96 feet, and eastbound it is 937.87 feet." He also states at p. 2313 that "the actual fuel consumption on the British Columbia district for the year 1925 was \$546,674. That is, the fuel consumption in pusher service, making total pusher expenses \$672,133.63."

At pp. 1935-1955, Vol. 496, Mr. Neal outlined in detail the tonnage that could be handled over each subdivision Vancouver to Calgary. He also gave particulars of the tonnage that could be handled over each subdivision west from Calgary to Vancouver. At pp. 1932-1933, in answer to a question Mr. Neal stated that the average equivalent gross tonnage per train which a 210 per cent engine would handle from Calgary to Fort William is 2,723 tons, while the same class engine between Calgary and the coast would pull 1,554 tons, making allowance in each case for the use of pusher engines in the territory where these engines were used.

At pp. 1970-71, Vol. 496, the following evidence in regard to expense is submitted by Mr. Neal:-

A further cause of expense in the mountains is the differential in rates of pay as compared with the prairie rates. In other words, it costs for wages for train and engine crews to haul a train 100 miles, based on the rate of pay at the mountain rate, \$31.60 as compared with \$27 for the same service on the prairie. Other classes of employees in British Columbia receive a premium over the Prairie rates, as has already been mentioned in the case of train crews. For example, agents are paid 6 per cent more, relief agents 4.4 per

cent more, and despatchers and operators 8 per cent more. The speed of trains is retarded by Mountain conditions as compared with the prairies. This is not due alone to grades, but to general operating difficulties which exist in the mountains, such as curvature, necessity for cautious running, and more frequent inspection of equipment en route. The results include increased fuel consumption, and in many

cases extra wages in the shape of overtime.

The average speed of freight and passenger trains, according to working timetables is as follows .-

West of Calgary: Summer, 11.1 miles per hour-

Mr. Pitblado: Is that freight?—A. This is freight trains. Summer 11.1 miles per hour. Winter 11.3 miles per hour.

East of Calgary, 17.8 miles per hour in summer; 13.6 miles per hour in winter.

Passenger trains, west of Calgary 23.9 miles per hour. East of Calgary 34.7 miles per hour.

Q. Is that both summer and winter?—A. Yes, sir.

Q. Besides the extra wage cost and the smaller average size of train in the British Columbia district, it is our experience that fuel consumption is proportionately higher than in the case of train movements in what we usually speak of as level country. To place comparison on a uniform basis which can be used for measuring transportation and engine efficiency on all parts of the system, it is customary to compute the number of pounds of coal consumed per 1,000 equivalent gross ton miles. On the prairie districts in 1925 it was from 88 to 126, and in British Columbia 164. That is taking the maximum and minimum figures.

Many more figures might be quoted from the evidence in respect of the expensive operation in this district, but I think the above figures are sufficient to show that the cost of operation in the Mountain district is greater than that on the Prairies.

I think that, under the circumstances, the application to remove the mountain differential and apply the prairie basis of rates to the Mountain section should be dismissed.

Branch Lines

I quote the following excerpt from the evidence of Mr. Neal at pp. 2018-2019, Vol. 496:—

Q. We have heard a good deal from time to time as to the movement from branch ine points as compared with main line points. What would you say as to the different conditions that apply as between branch line points and the main line?—A. Well, relatively, a branch line movement, from my knowledge, I would say is more expensive, because there is more picking up, or peddler service, compared to the total traffic movement that there is on the main line. By that I mean, that if you have got one way freight train, and ten through freight trains, your average cost necessarily is lower than if you have got nothing but way freight trains, and on most branch lines you have got nothing but way freight trains, or switch trains, whatever you want to call them. They are more expensive, because instead of getting out of their initial terminal and going right through to their objective terminal, they have to stop at every station and switch off or take on cars, so that branch line operation, necessarily, is more expensive, on a unit basis, than main line operation.

Also there is this fact that by virtue of there not being such density of traffic on branch lines, they are not maintained at the high main line standard, either as to bridges, or rail, or ballast, because the traffic is not there, therefore, you cannot operate the heavy locomotives on those branch lines that you operate on the main line. And that means more trains, more engine men, conductors and trainmen, and more wages, and more coal, so that branch line operation, in this respect, is obviously higher than your main line

operation is

Q. In comparison with the traffic?—A. Yes. And, at the same time, you must remember that on these branch lines there must be some train service maintained even when your traffic is light. You cannot close them up entirely, and, under winter operating conditions, it is necessary to keep the line open although you may only operate three trains a week. The line must be maintained, it must be kept open, and, therefore, that element in your tonnage cost of operating that branch line is a considerably larger factor than it is on your main line where you are operating a number of passenger trains, and perhaps a considerable number of freight trains.

From the above quotation, and the amount of revenue involved, namely \$949.573. I think that there should be a higher rate on the branch lines than on the main line, particularly on the branches north of the main track, but will concur in the judgment of my colleagues that the rate on branch lines be reduced to that of the main line track for the reasons set out by them.

RATES—NATIONAL TRANSCONTINENTAL RAILWAY

I agree with the judgment of the Assistant Chief Commissioner in respect o extending the Crowsnest rate east from Fort William, Westfort and Armstrong, Ontario, to Quebec.

However, owing to the special circumstances and conditions. I am disposed, though with a great deal of hesitation, to agree that the application of the Queb c Harbour Commission may be granted; provided, however, that such reduction is confined entirely to grain for export, via the city of Quebec, and not further extended or taken as a fair and reasonable rate in any district. Also, that all railways file tariffs showing the same export rates to Quebec as to Montreal on export grain from Boy Ports, and on all export traffic from Toronto and points west thereof.

I concur in the judgment of the Chief Commissioner in regard to the following questions:—

(a) Transcontinental rate scale;

(b) Terminal Tariffs;

(c) Different standard mileages, east and west;(d) Domestic grain rates to British Columbia.

COMMISSIONER OLIVER:

Conclusions regarding certain matters which were considered by the Board during the General Freight Inquiry.

- (1) Rates Eastbound on Grain and Flour from the Prairies to Lake Superior ports.
- (2) Rates Westbound from the Prairies to Pacific ports.

(a) Grain and Flour for Export.

(b) Merchandise rates (both ways).(c) Grain and Flour for Domestic use.

(3) Rates from the Prairies to Atlantic ports on Grain for Export.

I

RATES EASTBOUND ON GRAIN AND FLOUR FROM THE PRAIRIES TO LAKE SUPFRIOR PORTS

On July 8, 1925, the Board of Railway Commissioners made two Orders in pursuance of certain amendments to Section 325 of the Railway Act of 1919, which had been assented to on June 27, 1925.

The most important of the amendments in question provided that rates on grain and flour moving from all points west of Fort William to Fort William or Port Arthur, over all lines of railway then or thereafter constructed by any company subject to the jurisdiction of Parliament, should be governed by the provisions of the agreement made pursuant to Chapter 5 of the Statutes of Canada, 1897, generally known as the Crow's Nest Act.

In respect of this provision, the Board ordered that the Railway Companies

affected,—

File such tariffs effective within fifteen days from the date of this Order as may be necessary to implement the provisions of the said Section 325 of the Railway Act, 1919, as amended.

The second Order of the same date referred to a provision of the 1925 mendment to Section 325 of the Railway Act of 1919, which removed the rates in westbound traffic from eastern Canada to the prairie west on certain comnodities, from control by the terms of the Crow's Nest Act to control by the Railway Board.

In respect of this provision of the Act the Board ordered that,-

On the commodities aforesaid, the Canadian Pacific and the Canadian National Railray Companies restore, effective within 15 days from the date of this Order, the rates which were in force on July 6, 1924.

The purport of the first-mentioned Order was to require that rates which vere being charged on grain and flour eastbound to Fort William that were igher than those fixed by the Crow's Nest Pass Agreement, should be reduced the level of the rates fixed by that Agreement, within fifteen days, that is y July 23, 1925.

The purport of the second Order was to permit the railways to increase neir rates on certain commodities westbound from certain points in eastern anada to western Canada to a level considerably above those provided by the terms of the Crow's Nest Agreement. This Order also became effective on

ulv 23, 1925.

In the result, the Order permitting the railways to increase westbound composity rates was promptly honoured, and the increases became effective on uly 23, 1925. But there was no like action in respect of the Order for the qualization downward of eastbound rates on grain and flour; and, at this date, he rates on grain and flour eastbound to Fort William are exactly the same as

on June 27, 1925, when the Act of Parliament was assented to, and as they were on July 8 of that year, when the Order of the Board in pursuance of the Act was made.

On July 31, 1925, the Attorney General for the Province of Saskatchewan wired the Board giving instances of rates on grain from points in that province then being charged, which were above the maximum permitted by the terms of the Board's Order of July 8, 1925, and asking that the Board take steps to secure the enforcement of its Order, by the reduction of these rates. Similar protests were received from time to time from other parties to the like effect. The province of Saskatchewan is the one most vitally interested in the compliance of the railways with the Order of the Board, both because it is the largest grain producer, and because it is in that province that inequalities of rates are chiefly complained of.

Not only have the railways not made any changes in their eastbound grain rates since the Order of July 8, 1925, was issued, but on the several occasions when the matter was being publicly considered by the Board, they have argued in defence of that position that the rates now existing do as a matter of fact conform to the terms of the Crow's Nest Act.

If I have been able to understand their argument, it was—First, that the Crow's Nest rates as established by the Act, varied in their per mile charge from various shipping points to Fort William, therefore a standard mileage could not apply throughout the area affected by the Order, and that the varying rates then and now in force were in fact in compliance with the Board's Order of July 8, 1925; and—Second, that the railways were entitled to charge higher rates on branch lines and secondary trunk lines than were permitted by the Crow's Nest Agreement on the main line of the Canadian Pacific Railway.

Under Sections 314, 316, 317 and 319 of the Railway Act, the Board is empowered to require equality of tolls and facilities on the part of the railways.

In these sections it is provided that,—

(a) There shall be equal tolls for equal service;

(b) The Board is empowered to determine what constitutes equality of

service;

(c) Wherever there is a difference between the tolls charged the people of different districts for similar services by any railway, the burden of proving that the lower tolls do not amount to an unjust discrimination,—" shall lie on the company."

There can be no doubt that the sections of the Railway Act above referred to make specific provision for equality of rates—that is a standard mileage rate—over each railway system; subject to such variations as in the opinion of the Board are justified by conditions; the burden of proof of justification for

any such variations being specifically placed upon the railways.

Whatever may have been the facts as to variation of grain rates for equal service under the Crow's Nest Agreement—which applied only to the Canadian Pacific Railway and was made before the Railway Board was constituted—there is no room for difference of opinion as to the express terms of the Act of 1925 in its application to all railways west of Fort William, or of the duties and powers of the Board under its provisions. The amendment changes subsection (5) of Section 325 of the Railway Act of 1919, and adds the following proviso:—

Rates on grain and flour shall, on and from the passing of this Act, be governed by the provisions of the Agreement made pursuant to Chapter 5 of the Statutes of Canada. 1897, but such rates shall apply to all such traffic moving from all points on all lines of railway west of Fort William to Fort William or Port Arthur, over all lines now or hereafter constructed by any Company subject to the jurisdiction of Parliament.

This provise of the new subsection (5) of Section 325 of the Railway Act places all lines of railway west of Fort William in the position of a single system, subject to the statutory grain rates of the Act of 1897.

The amendment of 1925 then adds subsection (6) to Section 325, as

follows:-

The Board shall not excuse any charge of unjust discrimination, whether practised against shippers, consignees or localities, or of undue or unreasonable preference respecting rates on grain and flour governed by the provisions of Chapter 5 of the Statutes of Canada, 1897, and by the Agreement made or entered into pursuant thereto, within the territory in the immediately preceding subsection referred to, on the ground that such discrimination or preference is justified or required by the said Act or by the Agreement made or entered into pursuant thereto.

The obvious purpose of subsection (6) is to place all the railways included in the proviso of subsection (5) in exactly the same position as to control and adjustment of grain and flour rates by the Board; while the proviso itself expressly states the standard to which all the grain and flour rates affected by

such subsection (6) shall be adjusted.

I can only understand this subsection to be a definite instruction to the Board to establish a single standard mileage rate on grain and flour from all prairie points to Fort William. Unless such equalization were intended, there would not seem to have been any purpose to be served by Parliament in passing the proviso of subsection (5), and still less in passing subsection (6), which applies only to it.

C.P.R. Main Line Rates the Standard

The amendment of 1925 having provided for uniformity of eastbound grain rates throughout the prairie west, the question remained, suggested by the contentions of the railways, as to whether the lower per mile rate on the Canadian Pacific Railway main line, as it was in 1897, or the higher per mile rate on certain of the branches of that date, should be taken as a rate basis under the Board's Order of July 8, 1925. So far as the Canadian Pacific branch lines in Manitoba and eastern Saskatchewan were concerned, the per mile rates on grain and flour were and still are no higher than those on the main line. on the Prince Albert and Edmonton branches of the Canadian Pacific in 1897, the rates were somewhat higher. These two branches were leased lines were not the property of the Canadian Pacific Railway. Because they were under lease for a comparatively short term, the rates were temporary in their nature and were, during the period of lease, kept at a level above those on the main line and on other branches. The Prince Albert branch passed from the control of the Canadian Pacific Railway in 1908. The Edmonton branch has since been acquired by it. On both lines all rates except those on grain and flour are now on the same per mile basis as on the Canadian Pacific main line.

Under such circumstances, it does not appear to be arguable that the standard mileage rate for the whole west should be fixed on the basis of the temporary rates on two branch lines, instead of on the rates on the main line, which, with the exception of a short period under special legislation, have remained fixed at the same level ever since the Act of 1897 became effective.

Whether or not the proviso of subsection (5) and its supplementary subsection (6) are accepted as a definite instruction to the Board to establish a single mileage standard of grain and flour rates in the territory west of Fort William, there can be no doubt that under the provisions of the sections of the Railway Act hereinbefore referred to, and the amendment of 1925, the Board has full power to establish such a standard. In my opinion the interests both of the grain producers and of the railways can best be served by its establishment.

The suggestion has been made that because the proviso of subsection 5 of the Act of 1925 states that rates on grain and flour shall "be governed by the provisions of the agreement made pursuant to chapter five of the Statutes of Canada, 1897," the Board has not the power to readjust the rate groupings on the C.P.R. main line. If the rates which were in existence and were recognized in the reductions made by the Crowsnest Act of 1897 are in fact beyond the Board's power of readjustment, then the abnormal rates on the Prince Albert and Edmonton branch lines prevailing in 1897, and long since abandoned, must be reinstated. Their alteration must also be beyond the power of the Board. This contention is in direct opposition to the expressed intent both of the proviso of subsection 5 and of subsection 6 of the Act of 1925. The proviso of subsection 5 declares that the Crowsnest rates shall prevail throughout the prairie region and subsection 6 specifically empowers the Board to adjust those rates so that they shall not be discriminatory. Under the provisions of subsection 2 of section 317 of the Railway Act the Board has always permitted the railways to group stations for rate making purposes, as an exception to the specific provisions against discrimination contained in section 314. It is not conceivable that the Board has the power to establish rate groups and has not the power to readjust them, so as to reduce their necessarily discriminatory features as much as possible.

Branch Line Rates

In regard to the second contention of the railways that they are entitled under the anti-discrimination provisions of the Railway Act to charge higher rates on branch lines and secondary trunk lines than those fixed by the Act on the main line of the Canadian Pacific Railway, they argued that as actual costs of haul were somewhat greater on branch lines and secondary trunk lines, because of these lines being of less perfect construction than the Canadian Pacific main line, they were entitled to charge higher rates for grain traffic

moving over them.

The question of charge for railway service has two sides. The customer who creates the traffic must be considered in framing the railway rate structure as well as the railway that hauls it. Unless traffic is created, there can be no railway earnings in hauling it. So that in fixing railway rates, it frequently becomes necessary in the interests of railway customers, to make an equal charge for two similar services of quite unequal cost of haul. If there are two adjacent business centres served by separate railway systems or by different lines of the same system, the cost of railway operation to the one place being greater than to the other, if the charge for railway service were based on the respective costs, the centre paying the higher freight rates must lose business, while its competitor would gain. In such case, the railway serving the place of decreasing business, correspondingly must lose traffic. Therefore, in the interests of the railways as well as of their customers, the principle of equalization of rates on the basis of equality of service, instead of on equality of cost, and having regard only to difference in mileage, has been established and universally accepted. Further in regard to mileage, it is a definitely and universally established practice that where there are two or more railway lines giving service to a certain point, the mileage rate on the shortest line governs the rates over all the lines concerned.

It is a fact that there are basic differences between the rates in central Canada and the prairie west; also between those of the prairie west and British Columbia. Recent legislation has established a basic difference between the rates in the Maritime Provinces and those in central Canada; but within those great divisions there are no differences of rates either passenger or freight, no matter what the difference in the cost of construction or operation of the various lines may be. Except in the case of the regional divisions above mentioned,

the principle of equal charge for equal service, without regard to local differences in the cost of the service, is recognized throughout the railway rate structure of Canada. The sole exception is in the case of grain rates in the prairie west.

Owing to less substantial and therefore less costly construction on branch and secondary trunk lines than on the main lines of the two chief railway systems on the prairies, the powerful, and therefore heavy, locomotives used on the main lines cannot be used on these branch and secondary trunk lines. The Canadian Pacific Railway uses a locomotive of 210 per cent rating and upwards on the main line but on the other lines the maximum is 155 per cent. This of itself means higher cost of actual haul on the branches; and the higher cost of haul on lines of a lower standard of construction is the basis of the demand by the railways for higher rates on these lines than on the main line.

It is of course a fact that the haulage of a ton of freight over a cheaply built branch, upon which only locomotives of minimum power can be used, and where traffic is delivered or picked up from station to station, must be more costly per ton than the haulage of heavy through trains by powerful locomotives over well built main lines. Besides the volume of traffic on the main line cuts down the overhead as it is not cut down on the branch. Considered as a separate enterprise, there is probably not a branch line in the prairie west that would show a profit on operation at present, or even at much higher, rates. And yet both railway systems are increasing their branch mileage from year to year.

The fact is that a main line without branches would be as unprofitable as branches without main line connections. The long main line haul under highly favourable conditions is what gives the railroads their net returns. But a single main line in such a region as the Canadian west could not secure enough traffic along its location alone to profitably employ the costly facilities which it provides. In order that the main line may be profitable it must have traffic and it can only get sufficient volume of traffic by means of branches. The railway system is made up of its main line and branches, each playing an equally important part in the general scheme of producing profit by giving service. It is not possible to disassociate one from the other and produce the desired result.

Of necessity the branch line mileage on the prairies is immensely greater than that of the main lines. Between Lake Superior and the Rockies, the two great Canadian railway systems have 14,360 miles of branch and secondary trunk lines, as compared with 2,764 miles of main line. To penalize producers served by branch and secodnary trunk lines, as compared with those served by main lines, to the extent of one to three cents per 100 pounds on their grain is to strike at the very root of production, when every interest of the nation demands its increase.

Class rates on merchandise, commodity rates generally and express and passenger rates, as well, recognize main line and branches of each railway system as a single unit for purposes of operation and rate making. In every case the per mile rate applies without regard to whether the traffic affected moves over main lines or branches. Coal, lumber and grain are commodities locally produced in the prairie provinces. The values are low compared with tonnage. The two former are carried at the same per mile rate over main and branch lines throughout the prairie west. No reason was given during the hearing why grain should be treated differently. The standard, if not the only reason, given for branch line construction in the west is the grain traffic. It would seem to be an inequitable rate adjustment if the grain which was the occasion of the branch being built were to be the only traffic hauled over it at a per mile rate higher than that prevailing on the main line.

In my opinion no evidence was brought before the Board at any time during the lengthy and numerous hearings that were given which showed any such difference between the actual cost of haul over branch and secondary trunk lines and over the main lines in the prairie west as would justify the difference in grain rates which were the cause of complaint by the provinces of Saskatchewan and Alberta.

On this statement of facts and in view of the further fact that the Canadian Pacific Railway was the contracting party in the agreement of 1897 and was then the only system having a line across the whole prairie region, in my opinion the Board, in giving effect to its Order of July 8, 1925, would not be justified in adopting any other rate basis than that which applied in 1897, and which now applies to the Canadian Pacific Railway main line between Fort William and Calgary; having regard, however, to the fact that the Board has full authority under subsection (6) to adjust such existing inequalities in mileage rates as may be found to exist between points along that line; and to fix proportionate rates from points at greater distances from Fort William than were covered by the original Crowsnest Agreement.

Adjustment of Main Lines Rates

As already stated, on July 31, 1925, the Attorney General of Saskatchewan filed with the Board by wire a protest against the rates on eastbound grain then being charged by the railways, which, he asserted, were in excess of the limitations imposed by the Act of 1925 and made effective by Order of the Board of July 8 of that year. This protest from the Government of the province most affected by the eastbound rates on grain definitely raised the question as to what these rates should be.

On the filing of the protest of the province of Saskatchewan, in my opinion it became the duty of the Board to define the rates which, by the Order of July 8, it had declared to be in force after July 23, 1925.

As the rates in force on the date that the order was issued have not been altered by the railways up to the present time, in my opinion it has now become the duty of the members of the Board to state as definitely as may be con-

venient what in their opinion the rates should be.

The purpose of the Crowsnest Act of 1897 was to reduce rates and that having been done, the effect was to constitute these rates as reduced a fixed maximum. The question of the equalization of rates did not arise until the Railway Board was established and empowered by the Act of 1903. The primary reason for the existence of the Board, as defined in the Act, was that it should be the means of securing due and reasonable equalization of rates.

In accordance with accepted railway practice, the present adjustment of grain and flour rates on the Canadian Pacific Railway main line castbound to Fort William gives or purports to give a proportionate reduction in the per mile rate as the mileage from Fort William increases. Following are the grain rates in cents per 100 pounds from points on the Canadian Pacific Railway main line, Winnipeg and west, with the intervening mileages. Each point given is the most westerly of the group taking the rate shown:—

From	Miles	То	Cents
Winnipeg. Burnside Brandon Griswold Broadview On'Appelle Moose Jaw Parkling Swift Current Maple Creek Kininvie Cleichen Calgary	63 70 24 107	Fort William Winnipeg Barnside Brandon Griswold Broadview Qu'Appelle Moose Jaw Parkbeg Swift Current Maple Creek Kininvie Gleichen	14 15 16 17 18 19 20 21 22 23 24 25 26

Although the rates from the several stations in the same group are not in fact equal in regard to mileage, and therefore are in violation of the express terms of Section 314 of the Railway Act, under the provisions of Section 317 such grouping of several stations under the same rate may be permitted at the discretion of the Board. Subsection (2) of Section 317 says:—

The Board may by regulation declare what shall constitute substantially similar circumstances and conditions or unjust or unreasonable preferences, advantages, prejudices or disadvantages, within the meaning of this Act.

These station groups vary on the main line from three in the 24 miles between Brandon and Griswold to fourteen between Griswold and Broadview in 107 miles. While it is no doubt quite reasonable that several grain shipping stations should be grouped together under the same rate, it does not seem fair that one group should cover 24 miles, as in the case of Brandon to Griswold, and the adjoining group 107 miles, as in the case of Griswold to Broadview. The material result of the smallness of the Brandon-Griswold group is that five or six important grain-producing points located westward from Griswold are and have been paying one cent per 100 pounds over and above the rate their mileage from Fort William entitles them to. That is, they have been included in the next westerly group, which being further from Fort William, pays a cent per 100 pounds higher rate.

The present groups are no doubt as they were in 1897, and the Board has full power to maintain them. But, in my opinion, as already stated, the Board is instructed by the express terms of subsection (6) of the amendment of 1925 to remove such extreme instances of discrimination as the one above noted.

In connection with the subject of the readjustment of existing groups, I desire to point out that a difference of one cent per 100 pounds in the price of grain delivered at two adjacent railway stations means that business interests located at the station where the higher price is being paid of necessity enjoy an important advantage over their rivals of the next station six to ten miles distant, at which, owing to the higher rail rate to Fort William, the lower price must be paid. This condition occurs in all cases as between the station at which one group ends and that at which the next group begins. It is a condition which cannot be avoided; but I desire to offer a suggestion by which it may be minimized. If the groups were cut in half as to size and doubled in number, the difference in rates from one group to another would be only half a cent. This would reduce the respective advantage and disadvantage of the rival towns at meeting points of the several groups to a point at which it would not be so seriously felt. I desire to point out that with the more intensive business methods of to-day a difference in grain prices of a cent per 100 pounds as between two adjacent railway stations (and towns) means a great deal more than it did twenty years ago. I do not see that the change to smaller groups would make any serious difference to the railways, while I believe that it would be of very great advantage to the section of the public directly affected by the present sharp differences in rates.

I note that on the Edmonton, Dunvegan and British Columbia Railway, now operated by the Government of Alberta, there is in most cases a difference of only half a cent from group to group, instead of one cent as the length of haul ncreases.

Fully ninety per cent of the grain of the prairies west is produced in the trea lying between Winnipeg on the east and the railway centres of Edmonton, Calgary, and Lethbridge in the west. This area is served by six railway lines over which traffic moves from the three western centres mentioned to converge to Winnipeg on the way to Fort William. From Moose Jaw on the Canadian

Pacific main line, the Outlook branch extends northwesterly to Lacombe which is on the most direct rail line connecting Calgary and Edmonton. This constitutes a seventh line over which grain moves eastward as far as Moose Jaw under the same conditions as on the six through lines. As the Canadian Pacific main line is one of the six through lines and as the comparative distances and traffic conditions generally are similar on all, the rates on that line constitute a standard by which the rates on the parallel lines may conveniently be measured.

The existing and accepted Crow's Nest rate from Calgary to Fort William is 26 cents per 100 pounds. The rate from Winnipeg to Fort William on all lines is 14 cents. That is, there is a difference of 12 cents between the rate from Winnipeg and the rate from Calgary to pay for the longer haul of 832 miles. This main line haul from Winnipeg to Calgary is divided into 12 sections or groups which would average between nine and ten stations to a group, but actually vary from three to fourteen stations to a group.

The rate steps up one cent per group as distance from Fort William increases, until the rate of 26 cents is reached at Namaka, fifty miles east of Calgary. The 26 cent rate applies to all stations beyond Namaka, as far west

and including Calgary.

Pacific Railway main line.

There is a secondary through line of the Canadian National Railways paralleling the Canadian Pacific main line from Winnipeg to Calgary, which crosses from south to north of the Canadian Pacific at Regina, crosses the South Saskatchewan at Dunblane, and reaches Calgary by way of Drumheller. This line is of considerably longer gross mileage than the Canadian Pacific main line, but its rates must be governed by the competitive conditions on that line. Therefore, the length of line between Winnipeg and Calgary, if cut into twelve groups corresponding to the twelve groups on the Canadian Pacific main line, with the difference in rate of one cent per group, would effectively equalize rates on that line of the Canadian National system with those on the Canadian

Three of the through lines which diverge from Winnipeg converge again at Edmonton. They are the Canadian National main line, 792 miles; the Dauphin-Warman-Battleford line of the Canadian National System, 826 miles. and the Canadian Pacific Winnipeg-Edmonton line, 848 miles. These three lines have an average length of 822 miles from Winnipeg or ten miles less than the Canadian Pacific main line, Winipeg to Calgary. The rate from Edmonton to Fort William is 26 cents per 100 pounds, the same as from Calgary by all three lines. The length of haul to Fort William by the shortest Canadian National line is 1,227 miles, as compared with 1,243 from Calgary by the Camadian Pacific main line. Divided into 12 groups for rate purposes between Edmenton and Winnipeg on the Canadian National main line, the groups would average 66 miles each; on the Canadian National line by way of Warman, 69 miles each and on the Canadian Pacific secondary trunk line, 70 miles. On the Canadian Pacific main line the 12 groups average somewhat less than 70 miles. While the distance between stations vary, there is an average of approximately ten stations to seventy miles. There seems to be no reason why stations on the three lines converging at Edmonton should not be divided into twelve groups of equal or approximately equal length on each line, or if the step up of half a cent were adopted instead of one cent, then into twenty-four groups of approximately five stations each.

Lethbridge, the most southerly of the three western railroad centres mentioned is 1.256 miles from Fort William by way of the most southerly through line of the Canadian Pacific Reilway. By that line it is 836 miles from Winnipeg. Although this is four miles further from Winnipeg than Calgary, Leth-

bridge has a 25 cent rate to Fort William, as compared with Calgary's 26 cents. This comes about because of the short cut from the Canadian Pacific main line at Dunmore to Lethbridge which gives it the same actual rail distance from Winnipeg as Gleichen on the Canadian Pacific Railway main line, which also has a 25 cent rate. As already stated, the rate by way of the shorter line governs and Lethbridge gets the benefit in this case.

Although the secondary through line between Lethbridge and Winnipeg is as long as the main line of the Canadian Pacific Railway to Calgary, the rate to Lethbridge fixes the maximum that can properly be charged points east of Lethbridge. This condition would be met by dividing the south line distance between Winnipeg and Lethbridge into eleven groups instead of twelve. In that case the average length of a group would be seventy-six instead of seventy miles as on the main line.

In Manitoba and to some extent in Eastern Saskatchewan the adjustment of rates on connections and branch lines has been made on the basis of the Crow's Nest rates. The like adjustments in the regions further west would have to be made after due consideration of each case, having regard on the one hand to mileage distance from Fort William and on the other to the stress of competition. There is no reason to suppose that the difficulties which have been overcome in making rate adjustments in accordance with the Crow's Nest Agreement on branches and connections in Manitoba, cannot equally be overcome, in making similar necessary adjustments in Saskatchewan and Alberta.

It is a recognized principle in adjusting railroad rates that the longer haul is entitled to the lower rate per mile. The graduation of rates from Winnipeg westward accords with this principle. The fourteen cent rate per 100 pounds for 420 miles from Winnipeg to Fort William is equal to ·0333 of a cent per 100 pounds per mile or two cents per bushel per 100 miles. The twenty cent rate per 100 pounds from Moose Jaw, 820 miles, is ·0244 of a cent per mile, or 1·464 cents (a shade under one and a half cents) per bushel per 100 miles. The twenty-six cent rate per 100 pounds from Calgary, 1,243 miles, is ·0209 of a cent per mile or 1·256 cents (a shade over $1\frac{1}{4}$ cents) per bushel per 100 miles.

Longer Distance Rates

Lethbridge is situated on the Canadian Pacific line which extends through the Crow's Nest Pass. There is a large area of important grain producing territory along that line extending for over seventy miles west of Lethbridge. That area is entitled to share according to mileage in the advantage enjoyed by Lethbridge because of its short connection with the main line. A 26-cent rate at present applies to the four stations west of Lethbridge within a distance of 32 miles. Beyond that distance the rate is increased to 27 cents for five stations within the next 36 miles and then to 28 cents. It would appear that the group now taking the 26-cent rate should extend as far west of Lethbridge as Calgary is west of Gleichen which is at the end of the 25-cent group on the main line, or fifty-one miles, instead of thirty-two miles west of Lethbridge, and that the next group carrying the 27-cent rate should be of approximately the average length of seventy miles.

The same rule would properly apply to the branch extending sixty-five miles southwesterly from Lethbridge to Cardston.

The grain producing area lying west of Calgary and tributary to the Canadian Pacific main line for a distance of thirty-four miles, including six stations, has a group rate of 27 cents per 100 pounds. At a distance of forty-two miles from Calgary the rate becomes 28 cents. This latter increase is not warranted

by the mileage, but as there is little or no grain production at or beyond that point, the material result is not important.

There is an important grain producing area on the Canadian National main line immediately west of Edmonton and on the nearly parallel Whitecourt branch. For approximately seventy miles west of Edmonton on both lines the maximum rate as fixed by the Act of 1925 and as ordered by the Board should not be more than 27 cents. But instead, on the main line, in the first grouping of 13 stations in sixty miles, the rate is 28 cents, a step up of two cents instead of one cent as is the case east of Edmonton. On the second grouping of 11 stations in forty-eight miles, the rate is 29 cents, and on a third grouping of two stations in five miles, which includes Edson, the divisional point next west of Edmonton and 133 miles distant, the rate is 30 cents. This makes a difference in rate of 4 cents per 100 pounds in 133 miles westward from Edmonton, which is 2 cents per 100 pounds more than the rates on the Canadian Pacific main line for the like distance. As the stations at which these rates govern are on the main line of the Canadian National Railways to Vancouver, there can be no contention that there is an extra cost of haul because of track, traffic or any other conditions.

On the Whitecourt branch the like rates prevail. The first group west of Edmonton, 9 stations in fifty-five miles, takes a 28-cent rate; the next group of 2 stations in five miles takes 29 cents, and the third group of 7 stations in forty-six miles, including the terminus at Whitecourt, 107 miles from Edmonton, takes a 30-cent rate, which is 2 cents per 100 pounds more than the mileage from Fort William warrants.

On the Athabasca branch of the Canadian National which extends northerly from Edmonton, the first group of 12 stations in sixty-six miles northward from Edmonton pays a 28-cent rate and the remaining 4 stations in twenty-eight miles pay a 29-cent rate. In this case the excess rate is one cent per 100 pounds for the whole branch.

On the St. Paul de Metis branch of the Canadian National, which extends 127 miles northeasterly from Edmonton, the first station 14 miles from Edmonton pays a 27-cent rate, but the second station at 22 miles is one of a group of 10 stations in seventy-three miles which pay a 28-cent rate. The remaining five stations on the branch pay 29 cents. The excess rate in this case is one cent per 100 pounds throughout.

In the case of all four Canadian National lines above mentioned—the main line west of Edmonton and three branches—the first group increase beyond Edmonton is not one but two cents, while on both the Canadian Pacific Railway main line and the Crowsnest line, the group increase beyond both Lethbridge and Calgary is only one cent. In my opinion this is plainly in defiance of the Board's Order of July 8, 1925.

The Edmonton, Dunvegan and British Columbia Railway extends north-westerly from Edmonton to Wembley in the Grande Prairie District of the Peace River country. This railway is owned and operated by the Government of the Province of Alberta, but having been built under Dominion charter, it is under the jurisdiction of Parliament and therefore its rates are subject to the Act of 1925 and to the Board's Order of July 8 of that year. Since November 11, 1926, the eastbound grain traffic of this railway has been routed to Fort William over the Canadian National Railways. Dunvegan Yards, within the city of Edmonton, near by and connected with the Canadian National main line, is the southern terminal of the Edmonton, Dunvegan and British Columbia Railway. From that point to Fort William the rate is 26 cents per 100 pounds.

The groups and rate from, but not including, Dunvegan Yards to the terminus at Wembley, are as follows:—

Group	Stations	Miles	Rates in cents
1	10 7 3 4 4 3 3 3 3 3 4 3 5 5 3 2	52 40 30 13 17 13 12 14 14 25 28 20 22 21 22 15	$\begin{array}{c} 28 \\ 29 \\ 29 \\ 29 \\ 30 \\ 30 \\ 31 \\ 31 \\ \frac{1}{2} \\ 32 \\ 32 \\ 32 \\ 33 \\ 33 \\ \frac{1}{2} \\ 33 \\ 34 \\ 34 \\ \frac{1}{2} \\ 35 \\ 35 \\ 36 \\ \end{array}$

The total distance from Dunvegan Yards to Wembley is 417 miles. The amendment of 1925 to the Railway Act says:—

Such rates (Crowsnest rates) shall apply to all such traffic (grain and flour) moving from all points on all lines of railway west of Fort William to Fort William and Port Arthur, over all lines now or hereafter constructed by any company subject to the jurisdiction of Parliament.

The Edmonton, Dunvegan and British Columbia Railway was constructed to Grande Prairie City by a company chartered by and therefore under the jurisdiction of Parliament. It became the property of the Government of Alberta by foreclosure of mortgage against the company. The extension from Grande Prairie City was built by the Alberta Government after foreclosure, but under and subject to the powers conferred by the charter. Therefore the

Board's Order of July 8, 1925, applies to that railway.

The rail distance from Winnipeg to Moose Jaw on the Canadian Pacific Railway main line—upon which the Crowsnest rates are admittedly effective—is 400 miles. The difference in rate between the two points is six cents. From Moose Jaw to Calgary the rail distance is 433 miles and the difference in rate is also six cents. By averaging the respective mileages between Winnipeg and Moose Jaw and between Moose Jaw and Calgary, and applying that average to the mileage from Edmonton to Wembley, the difference in the Fort William rates as between Edmonton and Wembley is limited to six cents instead of ten cents as at present. The proper rates from intervening points can be arrived at by dividing the 63 existing stations into 12 groups of four to six stations each, with an increase in rate of half a cent per 100 pounds from group to group as mileage from Fort William increases.

The Central Canada branch of the Edmonton, Dunvegan and British Columbia Railway leaves the main line at McLennan, 262 miles from Edmonton, and extends to Whitelaw west of Peace River, a distance of eighty-six miles. As this branch was built under provincial charter and without Dominion aid, the Board's Order of July 8, 1925, does not apply to it. It is being operated in conjunction with the Edmonton, Dunvegan and British Columbia Railway by

the Railways Department of the Alberta Government.

The Provincial Government also owns and operates the Alberta and Great Waterways Railway which extends three hundred miles from Carbondale Junction on the Edmonton, Dunvegan and British Columbia line to McMurray on

the Athabasca river. That Government also owns and operates the Lacombe and North Western Railway, which joins the Canadian Pacific Calgary and Edmonton line at Lacombe and extends northwesterly some fifty or sixty miles. These two lines, operated by the Provincial Department of Railways, are also outside the scope of the Board's Order of July 8, 1925.

Effect on Railway Revenues

A great deal of time was occupied during the several hearings by the endeavour of the railways, in evidence and in argument, to establish, first, that the general application of equalized rates as provided by the amendment of 1925 would so reduce their revenues that their welfare would be seriously prejudiced; and second, that the present rates on grain and flour were in themselves unprofitable.

It may fairly be estimated that the difference between the earnings of the railways because of the discriminatory feature of the tolls at present collected and what their earnings would have been had the Board's Order of July 8, 1925, been obeyed, has meant to each of the two great systems an average of more than one million dollars during each of the two crop years since the amendment of 1925 was passed. The amount is large enough and the result of the shifting of that much of the burden of cost of transportation of western grain to market, as between producer and carrier, is sufficiently far reaching to constitute the matter a national problem of major importance.

On behalf of the Canadian Pacific Railway reference was made to the fact that the Interstate Commerce Commission of the United States was authorized by Congress to allow rates that would enable the railways of that country to earn $5\frac{3}{4}$ per cent on the value of the railway property. The property investment of the Canadian Pacific Railway, as at the end of 1925, was stated by Mr. E. E. Lloyd, Assistant Comptroller, to be \$939,849,107. The average investment for the past five years was \$921,814,800. The average net earnings of the system for the five years 1921-25 was \$37,072,892 per year, which provided a rate of only 4-022 per cent and was therefore \$15,931,450 per year short of what he claimed the company was entitled to.

Mr. Lloyd emphasized this position by stating that on the present average earnings "there is an investment in the railway property of \$277,068,852, which is not earning any return whatever".

In further emphasis of the same point, he said that the average net earnings. \$37.072.892, only represents a fair return on the investment (average) of \$921.814.800 for 255 days of each year, "with the result that the public has had the free use of our transportation facilities for 110 days of each year".

Mr. Lloyd further estimated that with the rate for money at 5 per cent, any industrial enterprise has a right to a surplus of 2½ per cent above fixed charges and dividends. With this addition the company was entitled to a surplus of \$23.045.370. On these calculations instead of an average earning of 37 millions as at present, they were entitled to earn 76 millions. Or in other words, instead of the fraction over 4 per cent which the Canadian Pacific actually earned in 1925 on nearly a billion of property investment, it was entitled to earn something over 8 per cent.

The rates charged for transportation service are the source from which railway revenues are chiefly derived. If there is merit in the Canadian Pacific contention that they are entitled to an 8 per cent dividend on their total property investment instead of the fraction over 4 per cent which the present rates give them, the obvious and only remedy is the doubling of the railway rates, not only in the prairie west but throughout Canada.

The Congress of the United States has taken the responsibility of fixing a standard of railway earnings in that country, to which the Interstate Commerce Commission is subject. The Parliament of Canada can do the same whenever it is so minded. The Railway Act does not empower and its terms do not contemplate the empowering, of the Board of Railway Commissioners to make general increases or decreases of rates merely of its own motion.

In the past on extraordinary occasions, the Government, acting under Parliamentary authority, has instructed the Board to make general increases in railway rates. No such authority has been conferred upon the Board in the present case. On the contrary, the Order in Council of June 5, 1925, under which the general freight rates inquiry was held, expressly directs the Board to establish equalized rates both eastward and westward. And the Act of June 27, 1925, also expressly directs that rates on grain and flour eastbound from the prairies to Fort William be equalized to a standard already fixed by legislation. In the face of these facts, the suggestion by the Canadian Pacific Railway that they are entitled to twice their present earnings on all their lines throughout Canada cannot be accepted as a reason for maintaining prairie grain rates eastbound at a point one to three cents per hundred pounds higher on 84 per cent of its prairie system than the statutory rates which admittedly apply on the remaining 16 per cent. Even assuming that the company are entitled to earn 8 per cent on their total property investment, as they assert, the fact that they thereby have a claim for increased rates against the users of all their lines throughout the Dominion cannot fairly be offered as a reason for the maintenance of alleged discriminations in respect of grain rates against the people of a section of a section of the Dominion—that is the grain producers along branch railway lines in the prairie west.

In the course of his evidence Mr. Lloyd "conservatively estimated" the present value of the railway property only, not including land or outside assets. at \$1,500,000,000, or one-third more than its investment value as shown in the company's books. Having regard to the attitude of counsel for the railway as to earnings on the full value of the property investment of the company, knowledge of the sources from which the values comprised in this property investment are derived becomes necessary, especially in view of the estimate of value over and above the amounts actually shown. The common stock, preferred stock. debentures and debenture stock, ten-year bonds, Algoma Branch bonds, etc., upon which interest or dividends are paid, amounted at the end of 1925 to \$648.893,470. This is the amount of money actually invested in the company. Interest on the interest-bearing securities comprised in this investment varies from 4 to 5 per cent. In no case is over 5 per cent interest paid. No interest is paid on \$290,945,637 of the total property investment upon which the earnings paid over 4 per cent in 1925. This non-interest-bearing "property investment" of the company comprises surpluses from all sources "ploughed back into the property", as Mr. Lloyd said. It includes besides railway earnings, premiums on stock issues, earnings on special income account, sales of lands, townsites, etc.

From the foregoing it appears that of the property valuation amounting to nearly a billion dollars, upon which the company claims the right to earn a total of 8 per cent, a little over two-thirds represents money invested and nearly one-third comes from undistributed profits and cash and land bonuses. It also appears that the average net earnings for the past five years of \$37,072,892 approximated fairly closely to 5³/₄ per cent on \$648,893,470 of capital actually invested as of 1925.

An exhibit filed by Mr. Lloyd showed that the net earnings of 1925 were \$40.154,774 (the highest earnings since 1917 and three millions over the five-

year average), and the surplus for the year was \$3.010,315. The company's annual report for 1926 gives the net earnings for that year as \$44,945,126, and

the net surplus for the year as \$7,462,824.

If the question before the Board were the sufficiency of the railway revenues, it can scarcely be successfully argued that a reduction in revenue following upon rate equalization and amounting to one and a half to two millions a year, would wipe out the surplus of three millions in 1925 or that of seven millions in 1926.

Responsibility as to Wage Increases

In the course of the hearing counsel for both railways used the argument that wage increases now under consideration, or recently granted to various classes of employees would amount to from five to seven millions of dollars for each railway system, and that in view of this increase in operating costs their revenues should not be further reduced by the equalization of eastbound grain rates as ordered by Parliament. When wage increases granted by the railroads to their employees are used in argument against the removal of an instance of alleged rate discrimination, in my opinion the Board is, in effect, being asked to assume a measure of responsibility altogether outside its jurisdiction. The fact that no details of the present or proposed wage agreements were brought to the attention of the Board, either in evidence or in argument, would seem to clearly establish that as the view also held by the railways. So long as the several wage agreements are a domestic matter between the railroads and their employees, they are not in my opinion properly subject to the consideration of the Board. And if they are of such an amount that it becomes necessary to pass increases in wages on to the public by a general increase in rates that must be a subject for consideration by the Government and instruction to the Board, as on former occasions when it was held that general wage increases were to be met by general rate increases.

In this connection I desire to submit, first that to order a general rate increase for any cause except when specially authorized by the Government, is not within the jurisdiction of the Board as contemplated by the Railway Act, and second that a condition which might be held to warrant a general rate increase cannot be used to justify the maintenance of an existing case of rate discrimination.

Receipts from Land Bonus

Among the items which make up the 940 million dollars of property investment of the Canadian Pacific Railway Company, as at the end of 1925, are the net revenues derived from sales of agricultural lands in the prairie west and also an estimate of value of the lands still held, being part of the original 18½ million-acre land bonus. The statement of land and properties contained in the Canadian Pacific report for 1926 shows that the company held at the end of that year 4.292,000 acres of selected agricultural land in the prairie west. Of this amount 158,000 acres valued at \$10 an acre was in Manitoba; 1.314,000 acres in Saskatchewan, and 2,406,000 acres in Alberta. The lands in the two latter provinces were valued at \$12 per acre. There was besides in Alberta 52,136 acres of irrigable land valued at \$30 an acre and 361,863 acres valued at \$40 an acre. The total value of these lands is given as \$62,000,000.

It also appears from the company's several annual reports that up to and including the year 1926 sales of both ordinary agricultural and irrigable land have amounted to \$182,000,000. The sums thus derived have been charged with various expenditures, so that the net amount as shown in the books is only a comparatively small part of that amount. But that is the amount that the

agricultural settlers of the prairie west have paid or are in process of paying the railway company. And it is from them or from other such settlers that the company expects to get the \$62,000,000 at which it values the remainder of its agricultural and irrigable lands. The total of \$244,000,000 is what the agricultural population of the west has paid, is paving, and is expected to pay in aid of the construction and operation of the Canadian Pacific Railway, over and above bearing their equal share of the general burden of taxation borne by the people of the rest of the Dominion in respect of bonuses paid the Canadian Pacific Railway in cash and in constructed line. In this connection it may be mentioned that although the average price of unsold agricultural lands in Saskatchewan and Alberta is placed at \$12 per acre, the actual price of such land as sold in the years from 1912 to 1924 inclusive, averaged from \$15 to \$17 an acre. Although the land belonged to and was granted by the people of the whole Dominion, it is the farming population of the west only that actually has provided and is providing the money. And the money is paid for land from which they produce the crops that give the railway its traffic.

It was clearly established during the hearing that the earnings on the transportation of grain, chiefly wheat, was the great source of net revenue, directly and indirectly, of both railways. Statutory rates on grain were provided in 1897 to encourage the development of grain growing on the prairies, as a means to national prosperity. The results have magnificently justified the policy of that date. By the amendment of 1925, Parliament reaffirmed and extended the policy of 1897. In my opinion it is for the Board to see that full effect is given to the intent of Parliament. Increased volume of traffic is the great need of the railways of Canada. Rates that are believed to be unjust, because they are unequal, can only tend to decrease production and thereby decrease traffic.

As to Profits on Grain Rates

As to whether the present grain rates are profitable to the railways; it was established by reference to the official traffic returns made by the railways themselves, not only that the net earnings per mile of line were higher in the western grain traffic region than is the region east of the Great Lakes, but also that it was during the months of heaviest grain movement that the net returns were highest. This applied to both railway systems. It was also shown that the net returns were higher in the years of largest crop. In view of these facts, it does not seem possible to accept as proven the first contention of the railways that the present grain rates, are, in themselves, unprofitable.

In this connection it becomes necessary to point out that while the Amending Act of 1925 provided for the equalization downward of eastbound grain rates, it also permitted a substantial increase on the westbound rates on a considerable list of important commodities of heavy tonnage, moving from eastern to western Canada. The amendment of 1925 released the rates on these commodities from the statutory limitations of the Crowsnest Act. The Board by its second Order of July 8, 1925, already mentioned, authorized substantially increased rates on those commodities.

From July 23, 1925, the railways have been enjoying and the consumers of the west have been paying these increased rates. There can be no doubt that Parliament intended this gain to the railways, as granted by the Board, in respect of the westbound traffic mentioned, should be considered as an offset against any possible temporary loss following upon the equalization of the castbound grain rates, until increased production had made up such loss, if any were actually incurred.

At this date the railways have for nearly two years been in the full enjoyment of these increased westbound commodity rates; but, during the same period, have been permitted to maintain the higher discriminatory grain rates that the amendment of 1925 was intended to reduce. If there is to be consideration of the question of loss to the railways because of the extension and proper application of the Crowsnest rates on grain, in my opinion there must also be an equal consideration of the gain to them resulting from the increase of westbound commodity rates released from the limitations of the Crowsnest Act.

Further, in regard to the contention of the railways as to the injury to their financial position that must result from the equalization of all present east-bound grain rates to a Canadian Pacific main line basis, it must be admitted that if there were only to be a fixed amount of grain to haul, from the prairies to Fort William each year, certainly a decrease in the grain rates must correspondingly decrease the revenues of the railways. But that is as far from the actual condition as it is possible to conceive. Having regard to the area of vacant cultivable land readily available and the present distribution of population throughout the provinces of Saskatchewan and Alberta, it is safe to say that given crop and market conditions sufficiently favourable, the area of wheat production in those provinces would be doubled within five years.

It was urged upon the Board by the railways that increased density of traffic, which means increased volume of tonnage, was an important factor in reducing the actual cost of haul. The breaking up of new ground—the increase of cultivated acreage and therefore of railway traffic,—whether by the man already in occupation, or the new arrival, is a matter of judgment for each settler. Given the assurance of a reduction in the cost of getting his grain to market, the settler is encouraged to increase his acreage of cultivation. But the settler hauling his surplus grain to a certain railway station, who knows that another settler, circumstanced as he is but who hauls to a different station, gets his grain to market at a lower cost, is not thereby encouraged to increase his acreage. And if he understands that that condition is to remain notwithstanding

If increase of tonnage and consequent density of traffic mean to the railways what they represented to the Board that they did mean during the everal hearings, the quickest and easiest way to get that desirable increase of tonnage is by a proper equalization of the grain rates eastbound,—and westbound as well—thereby removing the sense of injustice now felt by so large a proportion of the farmers of Saskatchewan and Alberta, and encouraging them by a sense of receiving fair treatment to do their best for themselves, which by increase of production means best for the railways, according to their own showing.

an Act of Parliament to the contrary, he is definitely discouraged by the feeling

that he is being treated unfairly.

This further fact, it seems to me, is also worthy of attention. Canada's grain export is such a large proportion of her total trade that its increase or decrease is a matter of serious national interest. A transportation policy that would involve a continuance of discriminatory grain rates—or an increase of present standard rates as suggested by the railways—could not fail to have a farreaching effect to the detriment of the national welfare and prosperity by tending against increased production.

United States Grain Rates

During the course of the hearings in the rates case, it was persistently urged by the railways that as grain rates were somewhat higher in the Western United States than in the Canadian west, that was proof that the Canadian rates were unduly low. It does not appear to me that the comparison is fortunate.

from the railway point of view. In the Northwestern States, with which the comparison is made, wheat is the chief cash crop of the farmer, as it is in the Canadian west. The cash returns from his wheat is the measure of his buying power and of his material success. The cost of rail haul to market is an important factor in his operations.

Throughout the chiefly grain-growing regions of the United States a serious condition of agricultural depression admittedly prevails. The Fordney Tariff, actually in force, and the McNary-Haugen Farm Relief Bill which passed both Houses of the United States Congress at its latest session and was only prevented from becoming law by the President's veto, are not merely local admissions, they are national assertions, of the wide-spread character and the seriousness of that depression. Failing legislative relief, or indeed because of the depression itself, there is and has been in progress a campaign to decrease production in the grain growing states.

Decreased returns of the railways which serve these states reflect the result of this condition of depression and campaign for decreased production. Given such a condition of mind amongst the farmers of the Canadian west as has prevailed for some years and still prevails throughout the grain-growing regions of the United States, and the two Canadian railroad systems would be showing much less favourable returns than at present. Conditions which so effected the railways would of necessity be reflected in the general financial state of the country.

The difference in situation between the grain rates in the two countries since the war, has been that in Canada there was a moderate maximum, fixed in the first place and afterwards reaffirmed by Parliament, which guaranteed to the producer in advance what the cost of the rail movement of his crop would be. Except for the discriminations complained of, which are the subject of present consideration, this gave him an assurance against exploitation that encouraged and enabled him to meet other difficulties with better spirit and therefore with greater success.

In the United States the Interstate Commerce Commission is by legislation permitted to allow such rates as will enable the railways to earn from 5 per cent to 6 per cent on their capital investment, measured by reproduction cost. In pursuance of this instruction, it would appear that the Commission has laid an undue share of the burden of general transportation costs on the basic product of grain, which in proportion as it gives purchasing power, causes the movement of other traffic. The producer in the United States suffers material injury from the higher grain rates thus imposed and his resentment is no doubt a factor in creating the state of mind which has found expression, as already stated, in the Fordney Tariff, in the McNary-Haugen Farm Relief Bill and in decreased railway earnings. To yield to the demand of the railways for a continuance of the present discriminatory rates—or for a general increase of grain rates, which they also urged with great insistance—would, it appears to me, create a condition of mind amongst the grain growers of the Canadian west similar to that now existing throughout the grain growing regions of the United States and with the same or even more damaging results to the railroads themselves and to the country at large. It is to be remembered that the export grain trade of Canada forms a much larger proportion of her total trade than is the case with the United States. For that reason it does not follow because United States business is generally prosperous while agriculture is depressed, that Canada could maintain her present prosperity with western agriculture in the same condition of depression as it is in the United States.

Recommendation

Under all these circumstances, I am of opinion that an order of the Board should issue requiring the Canadian Pacific Railway, the Canadian National Railways and the Edmonton, Dunvegan and British Columbia Railway to file, within a stated time, for the consideration of the Board, tentative rate schedules applying to all their lines under the jurisdiction of Parliament, with maxima conforming to the standard now in force on the main line of the Canadian Pacific Railway between Winnipeg and Calgary, but with that distance divided in twenty-four groups of approximately equal mileage and having an increase of half a cent from group to group westward from Winnipeg. Such tentative schedules to be amended as the Board may consider necessary to give effect to the terms of the Act of 1925; and thereafter to be declared effective at such time and under such circumstances as may be decided by the Board.

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RATES WESTBOUND FROM THE PRAIRIES TO PACIFIC PORTS

The General Freight Rates Enquiry was held under the terms of an Order in Council of June 5, 1925 (P.C. 886); the directive section of the Order in Council reads as follows:--

The Committee therefore advise that the Board be directed to make a thorough investigation of the rate structures of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable rate structure, which will, under substantially similar circumstances and conditions be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various Provinces and Territories of the Dominion, and the expansion of its trade, both foreign and domestic, having regard to the needs of its agricultural and other basic industries, and in particular to,-

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate bases which they enjoyed, prior to 1919
(b) The encouragement of the movement of traffic through Canadian ports

(c) The increased traffic westward and eastward through Pacific coast ports, owing to the expansion of trade with the Orient and to the transportation of products through the Panama Canal.

The subjects covered by sub-section (c) included three leading features of special interest to Western Canada,—

(1) Export rates on grain and flour westbound from the prairies to Pacific

(2) Class rates on merchandise and other commodities between the coast

and the prairies:

(3) Domestic rates on grain and flour from the prairies to British Columbia.

Grain and Flour for Export

The first rate schedules established by the Canadian Pacific Railway on the completion of that line in 1886 were higher in the mountain region between Canmore and Vancouver than for like distances between Canmore and Fort These differences were made by the railway and allowed by the Railway Commission after its organization in 1903, on the ground that the higher cost of operation in the mountains than on the prairies warranted higher rates on that section of the line. When the National line was built to Vanconver it was allowed the same class rates per mile for mountain haul (from Edson westward), as the Canadian Pacific Railway. When the export grain rate westbound was established, the same principle was recognized on both roads, and the per mile rate was much higher from prairie points on westbound than on eastbound grain traffic.

From time to time steps towards equalization of mountain with prairie rates were taken, chiefly on representations made by the province of British Columbia. At the date of the Order in Council of June 5, 1925 (P.C. 886), the westbound grain rate was 22½ cents per 100 pounds to Vancouver from Calgary, 642 miles, and from Edmonton 765 miles, as compared with 26 cents from both points to Fort William, a distance of 1,243 miles from Calgary and 1,227 miles from Edmonton. At the same date, the "mountain differential" on merchandise and other commodities moving under class rates between the prairies and the coast was "one-and-a-quarter to one." That is, in calculating what the class rate on any commodity would be, the actual mileage in the prairie region was taken, but in the British Columbia section one quarter was added to each actual mile.

The rate on grain and flour for domestic use in British Columbia was 41; cents per 100 pounds as compared with 21 cents for export, from Calgary and Edmonton to Vancouver, with a correspondingly increased rate from more easterly prairie points.

Canadian Pacific Railway Westbound Rate

In regard to export grain rates westbound, the situation requires special

An Order of the Board was issued on September 2. 1925, as follows:—
That the Canadian Pacific and the Canadian National Railway Companies file tariffs, effective not later than the 15th day of September, 1925, reducing the rates on grain and flour to Pacific ports within Canada for export to the same rates proportioned to distance as such grain and flour would carry if moving eastward for export.

The Order was the result of a heaving realist be lead to the context of the context o

The Order was the result of a hearing which had taken place in Vancouver on Nevember 5, 1924, before the Chief Commissioner and Commissioner Oliver. This sitting was held in pursuance of an Order in Council of date October 2, 1924, which authorized a hearing and "effective action" in regard to export grain rates westbound on an appeal of the provinces of British Columbia and

Alberta from a decision of the Board dated June 30, 1922.

Immediately following the issue of the equalizing Order of September 2, 1925, an appeal was entered by the Canadian Pacific Railway, the Montreal Board of Trade and a number of allied and associated interests. The appeal was heard in Ottawa on September 29, 1925, by the full Board. On December 19, 1925, decision refusing the appeal was rendered by Mr. Deputy Chief Commissioner Vien, which was concurred in by the Chief Commissioner and Commissioner Oliver. Not having secured the approval of a majority of the Board, the appeal failed and the Order of September 2, 1925, was therefore confirmed.

The Canadian National system had given due effect to the Order by reducing their westbound rates on grain from the prairies to Vancouver to the same per mile rates as prevailed on grain traffic over their main line to Fort William.

The Canadian Pacific Railway had made some reduction in their rates, but instead of computing westbound rates on actual mileage from prairie points on their main line to Fort William, they had taken the eastbound mileage basis of the National main line (which was at that time and still is, the subject of a special complaint before the Board), and had added a computed (non-existent) 130 miles. Calgary is 642 actual miles from Vancouver Red Jacket on the Canadian Pacific main line is 646 miles from Fort William; it pays an 18 Therefore under the Board's Order of September 2, 1925, Calgary is entitled to an 18 cent rate to Vancouver. But the rate schedule actually charged by the Canadian Pacific from Calgary to Vancouver is 21 cents.

Two crops have moved under these rates. It is estimated that the gain to the Railway Company by its failure to fully comply with the Board's Order nas been not less than from one half to three quarters of a million dollars on

he amount of each crop actually moved. 62863-171

United Front of Railways

Although the action of the Canadian National Railways differed from that of the Canadian Pacific in regard to the Board's Order of September 2, 1925, during the numerous hearings, and in the argument, both railways united in their demand that grain and flour rates wes bound from the prairies should be higher than those permitted by the Board's Order above mentioned.

In regard to both grain and merchandise rates, the railways rested their case entirely on the alleged greater difficulty and therefore greater cost, of railway operation and maintenance through the mountains than on the prairies. But although they were united in that presentation, owing to radical differences in the physical character of the lines of the two systems between the prairies and Vancouver, in order to reach a proper conclusion it is necessary to consider them separately. Besides it is also necessary to consider the changed traffic conditions which have arisen as the result of the construction of the second line of railway from the prairies to Vancouver.

The Canadian Pacific Railway was built over the shortest available route between the two oceans and incidentally between the prairies and the Pacific. That was the objective—and it was achieved, but at the cost of crossing two high summits, reached by steep gradients, in the Rocky and Selkirk ranges. There might have been something to be said for special local—as distinguished from through—rates that recognized excess costs of railway operation in the mountains before export traffic from the prairies had developed. But when the prairies had been linked with the coast by a second railway, built over a longer route than the first for the express purpose of avoiding high summits and steep gradients, and when westbound export traffic from the prairies had developed so that for the crop year, 1923-24, fifty-three million bushels of Canadian wheat went overseas from Vancouver, as compared with sixty-one millions from Montreal, the question of traffic rates between the prairies and the Pacific ports had obviously ceased to be of merely local and had become of national importance.

The fundamental purpose of the pioneer railway was to link ocean to ocean by the shortest route. The corresponding purpose of the Canadian Northern Railway, now the National main line to Vancouver, was to give the western portion of the grain producing prairies access to the nearest tidewater with the lowest reasonable rates, while also connecting eastern and western Canada by a competing railway service.

It is clear that unless rates are adjusted to admit of traffic moving with a proper degree of freedom between the prairies and the coast, the purpose of the construction of the Canadian Northern line to Vancouver has not been achieved, and the money paid from the Dominion treasury to secure its construction is in large measure thrown away.

Contentions of C.N. Railway

In support of the contention that operation through the mountains on the Canadian National main line to Vancouver was so much more difficult and costly than on the prairie as to justify higher westbound grain rates and a mountain differential on merchandise eastbound from the coast, counsel for that railway submitted a statement showing the number of cars at present being hauled by one locomotive westbound from Biggar to Port Mann, which is the western end of the Canadian National tracks. Connection between Port Mann and Vancouver, 16-9 miles, is made over Great Northern Railway and Van-

couver Harbour Commission tracks. The statement showed in detail that the present average maximum train haul by one locomotive, rated as having 38 per cent capacity, is forty cars, with average loads of 37 tons each. It was also shown that this locomotive performance compares favourably with that on lines generally on the prairies, other than the main lines of the two competing systems; also with that on many lines in Ontario and the Maritime Provinces, where the locomotive performance is no better—and in many cases not as good—as it is shown to be on the mountain section of the Canadian National line.

The statement mentioned also showed that the present average maximum train haul on the National line from Biggar eastbound to Fort William is 66 cars. This is 16 cars per train more than the westbound average and therefore shows a much greater profit on the operation. But the rated locomotive capacity required to produce that result was an average of 54.6 per cent, 16.6 points greater than the average of the locomotives used in the westbound traffic. This comparison of locomotive performance eastward from a midprairie point and westward from the same point establishes beyond argument the similarity of basic physical conditions as related to operation between the prairie and mountain sections of the Canadian National main line. The higher summits in and near the mountains are more than balanced by the deeper depressions below the prairie level, plus the rise over the Laurentian plateau on the way to Fort William.

Counsel for the National Railways argued that as operation in the mountains was presently at an actually higher cost than on the main line on the prairies, therefore a higher grain and merchandise rate over that section was warranted. But costs on the main line castward are exceptionally low because the largest locomotives hauling the longest trains and therefore giving the most economical service are used. Not many years ago the maximum locomotive haul eastward was no greater than it now is westward and the costs were correspondingly higher than at present, but the rates were the same. The changed traffic conditions came about by reason of large capital expenditures on the main line and also on extensive and modern terminals at Fort William.

Possibly the volume of traffic westward from the prairies does not yet warrant the large capital expenditure that would be required to put the line in the same condition for carrying heavy locomotives as the line eastward and so secure reduction of the cost of haul westbound to the level of that eastbound. To attain that result terminal facilities at Vancouver comparable to those at Fort William would also have to be provided. From time to time no doubt neasures will be taken to place the westbound track and terminals in the same condition to handle westbound traffic as economically as that eastbound on the nain line is now handled.

In the meantime, until such capital expenditures on the main line west pring it up to the operating standard of the main line east, there is no reason rom a comparison of operating costs why rates on the main line west should be higher than on the branch lines east of the mountains, where the present operating costs are at least as great. The branch and secondary trunk line nileage east of the mountains is 85.5 per cent of the total mileage of the system between Lake Superior and the Rockies.

No evidence was brought forward to show that the elevations or gradients on the line in the mountain region were such as would prevent the Canadian National main line from Edson westward to Port Mann from being operated as conomically and efficiently as that part from Edson to Fort William is now. comparison between the gradients and elevations to be overcome by railroad raffic westbound from Edson—where mountain rates begin—to Vancouver

and eastbound to Fort William is valuable in this connection. Figures as to elevation and distance are taken from the time tables:—

	Rise	Miles	Average feet to mile
Westbound— Edson to Obed Entrance to summit of pass in Rockies. Swift Creek to Albreda.	577 feet	35	16·4
	504 feet	62	8·12
	268 feet	24	11·16

Total adverse rise against westbound traffic, 1,349 feet in 3 sections totalling 121 miles. Average 11 feet to the mile.

a day to Management	Rise	Miles	Average feet to mile
EASTBOUND— Clover Bar (8 miles east of Edmonton) to Uncas Saskatoon to Leross. Treat to Oakner.	304 feet	15	20·26
	630 feet	138	4·56
	371 feet	34	10·91

Total adverse rise between Edson and Winnipeg 1,305 feet in 187 miles an average rise of 6.97 feet to the mile on the adverse grades as compared with 11 feet to the mile on the adverse grades from Edson westward.

The average rise per mile is so small in both cases that the difference between eastward and westward is negligible, while the maximum gradient in both cases is the same, four-tenths of one per cent, except for 3,700 feet near Albreda which has a one per cent upgrade westbound, partly compensated for by 2,400 feet of five-tenths of one per cent down grade. The difference of 44 feet in the gross rise between the mountain and the prairie sections is not

important.

But comparison must be made between the "mountain" section between Albreda and Port Mann and the "prairie" section between Winnipeg and Fort William in order to be complete. The distance is approximately the same in both cases, say 425 miles. From Albreda there is a descent in level to Port Mann of 2,680 feet, with no material adverse grade intervening. From Winnipeg to George, the summit station towards Fort William, there is a gross rise of 903 feet in 352 miles, making the total adverse rise against eastbound traffic between Edson and Fort William 2,208 feet, as compared with a total rise of 1,349 feet between Edson and Vancouver. That is, there is a greater total adverse rise by 859 feet against traffic eastbound from Edson to Fort William than westbound from the same point to Vancouver, while the maximum adverse gradient is four-tenths of one per cent both ways to the summit of the pass in the Rockies and one-half of one per cent beyond, except for the short distance as mentioned at Albreda.

Contentions of Canadian Pacific Railway

As already stated while both railways were united in the demand for maintenance of the mountain differential on merchandise and the present rates on grain from the prairies for domestic use at the coast, the position of the Canadian Pacific differed from that of the Canadian National in regard to export grain rates. While the Canadian National had complied with the Board's Order of September 2, 1925, the Canadian Pacific had not; counsel claiming that the greater difficulties of mountain operation on the Canadian Pacific main

line caused forty per cent of increased costs as compared with prairie operation, and therefore justified the railway in not reducing its export grain rates westbound to the per mile level of the eastbound rates over their main line as ordered by the Board.

The shorter line of the Canadian Pacific between Winnipeg and Vancouver compels the more southerly route. The difference in distance in favour of the Canadian Pacific, as compared with the Canadian National, is 93 miles. The general slope of the western region of Canada is from south to north, therefore the elevation of both the plains and mountains is greater on the southerly than on the northerly railway route. With the higher elevation the country is more rugged and railway construction and operation correspondingly more difficult both on the plains and in the mountains.

On the Canadian Pacific main line, the Rocky and Selkirk ranges lie between Canmore on the east and Revelstoke on the west. The distance between is 195 miles. The elevation of the railway pass through the Rockies at Stephen is 5,332 feet above sea level—52 feet more than a mile. Distances and elevations are taken from the railway time tables and are sufficiently accurate

for comparative purposes.

Prairie rates have always applied on all Canadian Pacific lines from Canmore easterly. It is at the entrance to the Rockies, 67 miles west of Calgary and 55 miles eastward of the summit. To decide how far mountain conditions justify higher rates on grain westbound than eastbound, it is necessary to compare operating conditions west and east from Canmore, because it is on the special difficulties west of that point that the railway rests its claim for a "mountain differential" in class and commodity rates. If operating conditions do not demand a difference in class and commodity rates east of Canmore, then they cannot be held to justify rates on grain above the prairie scale to or from

that point.

To clear the ground for due consideration of difficulties of operation in the Rocky and Selkirk ranges, a comparison between the conditions westbound from Revelstoke to Vancouver and eastbound from Medicine Hat to Fort William may first be made. From Revelstoke westward to Clan William, 9 miles, there is an adverse rise of 324 feet and a pusher is used. From Clan William the railway follows the waters of the South Thompson and Fraser rivers to Vancouver. From Tappen to Notch Hill, 9.2 miles, there is a rise of 533 feet and a pusher is used. From Savona to Wallachin, 7 miles, there is a rise of 96 feet. A pusher is used there only when traffic is heavy. There is an adverse rise of 85 feet in four miles from Thompson to Gladwin. This is an average gradient of four-tenths of one per cent. A pusher is not used but full tonnage is reduced from Wallachin to North Bend, on account of this grade.

Although the time-table shows a continuous decline in elevation from 493 leet at North Bend to 103 feet at Ruby Creek, the evidence given by the railway was that the maximum tonnage westbound was also reduced between those

points.

The several adverse gradients as shown by the time-table aggregate 1,038 eet, of which 953 feet is in three pusher grades, totalling 26 miles. The lecrease in elevation between Revelstoke and Vancouver is 1,482 feet, distance 380 miles.

Eastbound from Canmore to Winnipeg, pushers are required on heavy raffic from Suffield to Bowell, 127 feet rise in 7 miles; Medicine Hat to Dunnore, 230 feet rise in 7 miles; Regina to McLean, 390 feet rise in 24 miles and Broadview to Perceval, 78 feet rise in 7.5 miles. Besides the four pusher rises here are important adverse rises against eastbound traffic of 143 feet from Lummings to Cross, 38 miles; of 129 feet in 14 miles from Sidewood to Carnichael and from Moose Jaw to Belle Plaine, 136 feet in 17 miles.

As the country is uncludating in character all the way from Medicine Hat to within 100 miles of Winnipeg, there are of course a number of minor adverse grades that need not be considered. Adverse gradients as shown by the timetable amount to 1,226 feet of which 825 feet is in four pusher grades of 45.5 miles. Total distance Medicine Hat to Winnipeg is 656 miles. The decrease

in elevation between Medicine Hat and Winnipeg is 1.409 feet.

From Winnipeg to Fort William the distance is 420 miles. Winnipeg is 772 feet above sea level and Fort William 617 feet. From Winnipeg easterly to Lowther, 106 miles, the grade rises 439 feet. From Keewatin to Raith, 243 miles, the grade rises 498 feet, a total rise of 937 feet in 349 miles. There are no pushers used and the up grade does not exceed four-tenths of one per cent. The total adverse rise Canmore to Fort William is 2·264 feet with 45·5 miles of pusher grade as compared with 1,038 feet with 26 miles of pusher grades Revelstoke to Vancouver.

Mr. W. M. Neal. Assistant to the Vice-President in charge of Canadian Pacific operation and construction, gave a statement of comparative engine performance between divisional points westbound and castbound, using the standard engine of 210 per cent rated capacity, maximum trainload on level

track 3,500 tons.

Westbound— Revelstoke to Kamloops	2,070	tons, with pusher for 9 miles, Revelstoke to Clan William, and another 9.2 miles. Tappen to Notch Hill.
Kamloops to North Bend	2,701	tons to Wallachin, with pusher for 5 miles from Savona to Wallachin.
(This tonnage reduced to	1,500	tons, Wallachin to North Bend, 89 miles, because of adverse grade near Lytton. No pusher used beyond Wallachin.)
North Bend to Vancouver	1,500 3,500	tons to Ruby Creek, 48 miles and tons Ruby Creek to Vancouver, 81 miles.
Eastbound— Calgary to Medicine Hat	2,709	tons, with pusher Suffield to Bowell,
Medicine Hat to Swift Current	2,800	tons with pusher Medicine Hat to
Swift Current to Moose Jaw	2,866	Dunmore, 7-1 miles. tons. By using a "turn-around" train from Swift Current to Secre- tan, the tonnage from Secretan to
Moose Jaw to Broadview	2,867	Moose Jaw is increased to tons during the grain rush. tons to Regina, and from Regina to Broadview, tons by using pusher for 24·1 miles to McLean.
Broadview to Brandon	3,396	tons, with pusher Broadview to Percival, 6.5 miles.
Brandon to Winnipeg		tons from Brandon for 40 miles east to Sydney. By using a "turn- around" train from Brandon to Sydney the train load Sydney to Winnipeg is increased to
Winnipeg to Kenora. Kenora to Ignace. Ignace to Fort William	3,116	tons.

The statement by Mr. Neal shows considerable disparity in locomotive performance between the castbound and westbound hauls. The performance is especially low in the westerly section from Wallachin to Ruby Creek, both east and west of North Bend, although the differences in track elevation strongly favour westbound traffic. While a difference in elevation of 465 feet in 93 miles, between Sydney and Winnipeg enables the 210 per cent locomotive to haul 4,200 tons or 700 tons above the rated maximum, notwithstanding that there is a net drop of 674 feet from Wallachin to North Bend, there is a reduc-

tion from the train load of 2,701 tons that left Kamloops to 1,500 tons for the 89 miles of remaining distance to North Bend. From North Bend to Ruby Creek, with a drop of 390 feet in 48 miles and no adverse grades shown on the time-table, the maximum load is 1,600 tons. Although closely questioned on

the subject, Mr. Neal gave no specific reason for this low performance.

From Kamloops westerly both the Canadian Pacific and the Canadian National closely follow the waters of the Thompson and Fraser rivers. Sometimes both tracks are on the same side of the stream. The statement submitted by the Canadian National Railways, as already mentioned, showed that from Kamloops to Port Mann the locomotive performance on that road compared favourably with the eastbound movement from the prairies to Fort William. It was stated that a locomotive of 50 per cent rated capacity can haul from Kamloops Junction to Boston Bar, corresponding to the Canadian Pacific division Kamloops to North Bend, 58 cars of 37 tons load or a train load of 2,146 tons. From Boston Bar to Port Mann the same locomotive hauls 65 cars with a load of 2,405 tons. The Canadian National locomotive performance westbound from Kamloops Junction to Boston Bar is only exceeded in eastbound performance by four out of the ten main line divisions east of Biggar; and that from Boston Bar to Port Mann by only one, that from Rivers to Winnipeg.

The Canadian Pacific line from Vancouver to Kamloops was built many years ago when economy in construction was more important than maximum haulage capacity. The Canadian National was built to meet modern conditions and needs of railway traffic. This is clearly established by the disparity in locomotive performance over the two closely parallel lines from Kamloops to

ancouver.

In the course of his evidence, while speaking of the efficiency of operations between Winnipeg and Fort William, Mr. Neal said,—

When I first went west, if we moved 400 cars a day east from Winnipeg, we thought we had done a good day's work; and if we got them to Fort William in three days it was good work. * * * * As crops increased we rehabilitated the line until we move up to 1,500 cars a day east of Winnipeg and put them through to Fort William in 30 to 36 hours. *

The traffic which is handled through these large facilities in the west outside of the grain rush period, could be moved just as easily with the facilities which we had 20 years ago as with what we have at the present time, and without the millions of dollars of expenditure for double track, grade reduction, revision of line, increased and improved yards, elevators and rolling stock which we were compelled to undertake in order to cope with the growing fall grain movement.

For instance North Transcona Yards, with over 100 miles of track and a capacity of 12,000 cars,—one of the most modern yards on the continent, is only used in handling revenue traffic for from two to three months of the year. During the balance of the year it is mainly used for storing empty grain cars.

year it is mainly used for storing empty grain cars.

The Bergen cut-off from Bergen to Transcona, a distance of 16.5 miles of double track fully equipped with block signals was built entirely on account of the grain movement.

and for from 8 to 9 months of the year is used principally for storing idle cars.

In this connection it was further stated that the doubling of the track from Winnipeg to Fort William had cost thirteen million dollars and the recent enlargement and improvement of the Fort William Yards over \$200,000. West of Winnipeg to Swift Current the main line is double tracked nearly all the way, upwards of 500 miles.

Very large capital expenditures were necessary on the Canadian Pacific main line east to make possible the large locomotive haul and consequent economy in operation shown in Mr. Neal's evidence. Obviously, like expenditures are necessary to the handling of the westbound traffic with equal economy. The locomotive performance over the parallel Canadian National line is evi-

dence that the physical conditions permit of such improvements being made. But even under present conditions, the haulage is quite as economical over the line from Revelstoke westward as it was over that from Medicine Hat eastward before the large capital expenditures spoken of by Mr. Neal were made, and when the rates over the Canadian Pacific main line east were the same as they

While haulage conditions from Revelstoke westward are not as favourable as on the main line castward from the mountains, they compare favourably with those on the secondary trunk and branch lines of the Canadian Pacific Railway on the prairies. An important secondary trunk line of the Canadian Pacific gives direct connection between Edmonton and Winnipeg. The distance is 848 miles. This connection leaves the Calgary and Edmonton branch at Wetaskiwin forty miles south of Edmonton and joins the main line at Portage la Prairie, fifty-six miles west of Winnipeg. The rate, Edmonton to Fort William, is the same as from Calgary by way of the main line, 26 cents per 100 pounds.

Speaking of that line, Mr. Neal said:-

We do not maintain our line up there to such a high standard as we do the main track. Owing to track conditions we use 155 per cent locomotives instead of 210 per cent as on the main line.

He gave the locomotive performance on the line, Edmonton to Winnipeg,

as follows:-

Hardisty (1st Divisional point out of Edmonton) to Wilkie... 2,132 tons, with pusher from Hardisty to Rosyth, 6 miles.

 Wilkie to Saskatoon
 2,200 tons

 Saskatoon to Wynyard
 2,066 tons

 Wynyard to Bredenbury
 2,170 tons

 Bredenbury to Minnedosa
 1,317 tons

 D:
 D:

Bredenbury to Minnedosa 1,317 tons, with pushers Millwood to
Binscarth, 7-6 miles and Birtle to
Solsgirth, 8 miles.
(These are permanent pushers when

traffic is moving in volume.)

From Minnedosa the maximum train load is 3,500 tons, but a pusher is used for 2.2 miles from Minnedosa to reach a summit from which there is a fall of 941 feet in 76 miles to Portage la Prairie. From Portage la Prairie on the main line to Winnipeg there is a drop of 90 feet in 56 miles and the maximum train load is 4,000 tons. These figures show the great difference between locomotive performance on branch and secondary trunk as compared with main lines. On the Canadian Pacific between Fort William and Canmore the branch and secondary trunk lines are 84 per cent of the system.

Mountain Section of C.P.R.

The summit of the Kicking Horse pass in the Rockies on the main line of the Canadian Pacific is 5,332 feet above sea level—52 feet over a mile. Canmore where the mountain differential becomes effective on westbound traffic is 4.296 feet above sea level. All westbound merchandise traffic reaches Canmore at prairie rates. Calgary, the largest city and most important junction point on the Canadian Pacific between Winnipeg and Vancouver, is 3,438 feet above sea level. Medicine Hat, 176 miles east of Calgary, on the main line, is 2,181 feet above sea level. Lethbridge at the terminal of the Aldersyde branch, 126 miles south of Calgary, is 2.987 feet above sea level. All traffic from Medicine Hat or Edmonton to the Pacific coast must reach Canmore by way of Calgary. From Lethbridge all through freight passes by way of Calgary and Canmore. To find the measure of disability as to traffic conditions suffered by the Canadian Pacific on its main line between the section Canmore and westerly, where the mountain differential is effective, and Canmore and easterly, where prairie rates prevail, it is necessary to compare the elevations and gradients to be overcome in each case.

From Medicine Hat to Canmore the rise is 2,115 feet with a pusher grade for the first 15 miles out of Medicine Hat. From Lethbridge to Canmore the rise is 1,309 feet. Between Edmonton and Calgary there is a summit at Crossfield. The rise from Edmonton to Crossfield is 1,430 feet and from Edmonton to Canmore 2,308 feet. In surmounting these rises westbound to Canmore, merchandise pays only prairie rates. Therefore there is no warrant for more than prairie rates on grain from prairie points as far westerly as Canmore.

From Calgary to Canmore the distance is 68 miles and the difference in elevation 758 feet. From Canmore to the summit the distance is 55 miles and the rise is 1,036 feet.

The performance of a 210 per cent locomotive from Calgary through Canmore to the summit and beyond to Field was stated by Mr. Neal to be 1,365 tons, with pusher service Louise to Stephen, 6 miles; from Medicine Hat to Calgary with pusher Medicine Hat to Bowell, 15.6 miles, 1,700 tons. The use of a pusher for 15 miles out of Medicine Hat on westbound traffic under prairie rates may fairly be balanced against the use of one for six miles under the mountain differential at the summit of the pass.

As the case stands on the evidence brought before the Board, westbound freight arrives at the summit of the pass in the Rockies under traffic conditions no more disadvantages to the railway than those under which it reaches Canmore.

From the summit of the Rockies, the elevation drops 2,900 feet in 77 miles to Beavermouth. No adverse grades are shown on the time table.

From Beavermouth to Glacier, the high point of the Selkirk range, the distance is 22 miles. Of this distance 2 miles has a 1.7 per cent gradient; $8\frac{1}{2}$ miles a 2.2 per cent and 6 miles .95 per cent (shade under 1 per cent). The remaining $5\frac{1}{2}$ miles is at normal gradient. The load limit for a 210 per cent locomotive with pusher for the 22 miles, is 1,050 tons.

From Glacier to Revelstoke there is a drop in elevation of 2,282 feet in the distance of 41 miles with no adverse gradients shown on the time-table.

From these comparisons it would appear that the only section of the Canadian Pacific main line which offers adverse conditions against westbound traffic over those found on prairie lines, is the section of 22 miles from Beavermouth to Glacier, and of that distance only $10\frac{1}{2}$ miles has abnormal gradients, as grades of one per cent frequently occur on the prairies.

From Beavermouth to Vancouver the total adverse rise including that over the Selkirks is 2,383 feet, with 48 miles of pusher grades as compared with 2,264 feet of adverse rise between Canmore and Fort William, with 45.5 miles of pusher grades.

For the distance from Beavermouth to Glacier, 22 miles, the reduced tonnage which the locomotive can haul undoubtedly adds to the cost of operation of the railway, over that on the prairie main line. How far the adverse rise over the Selkirks is offset by the mile of drop from the summit in the Rockies to the coast, with the addition of the drop on the west side of the Selkirks corresponding to the rise on the east side, was not brought out during the hearing. The railways held strongly that a favouring grade does not give benefit proportioned to the extra costs in operation resulting from an equal adverse grade. Counsel for the provinces held strongly that there was very material advantage in a down grade. Without accepting in full the contentions of either party, there would seem of necessity to be some advantage in such a preponderance of down grades—over one mile—from the summit of the pass in the Rockies to the coast, as would balance some part of the disabilities imposed by the exceptionally heavy grade for 10½ miles between Beavermouth and Glacier.

While it is universally accepted that there is a material advantage in rail-way operation over a line which avoids steep grades, there may be a situation in which it is more economical to use a pusher on a short steep grade than to lengthen the line sufficiently to allow the rise to be overcome without its use. The longer line will usually involve greater capital cost and must include increased maintenance charges proportioned to the additional miles. This no doubt is why so many pusher grades are used on the prairie section of the Canadian Pacific Railway main line. Maintenance charges on a line of the first class are now placed at a yearly average of about \$2,000 a mile. No doubt these cost factors were considered by the company when in the first place it was decided to cross the Selkirks in order to get the shortest line from coast to coast, instead of following the Columbia river around from Beavermouth to Revelstoke as might have been done, but with an increased length of haul of possibly 100 miles,

However far the adverse operating conditions between Beavermouth and Glacier may be minimized by the considerations above mentioned, it is a fact that a large and important traffic from coast to coast is carried at rates which not only do not recognize any mountain differential but are generally much lower than the rates to prairie points for much shorter distances from Montreal and Toronto, over routes that do not approach, much less cross, the mountains. On steel bars, iron and steel pipe, electric fixtures, paper, tools, linoleum, rope, glass, tinware nested, and no doubt many other commodities, the rates from Montreal to Vancouver range from 65 cents to \$1.45 per 100 pounds.

The rates to Calgary compare with those to Vancouver as follows:—

On steel bars, 65 cents Montreal to Vancouver and to Calgary \$1.81 per 100 pounds; on linoleum, Montreal to Vancouver, \$1.25, and to Calgary, \$2; on rope, Welland, Ontario to Vancouver, \$1.30, and to Calgary, \$2. Many other commodities taking through rates show a like differential in favour of—not against—the mountain haul.

During the rates hearing it was shown that in very few cases was the through rate to Vancouver higher than that to Calgary, and in no case was the difference proportioned to the lesser mileage to Calgary, taking no account of the claimed greater cost of the mountain haul.

It is also worthy of note that mountain difficulties do not prevent the operation of a passenger train which makes the shortest time across the continent of

any train on any line in North America.

The grain rate of 26 cents per 100 pounds, Calgary to Fort William, 1,243 miles, is 0209 of a cent per 100 pounds per mile, or 1.254 cents per bushel per 100 miles. A grain rate of 18 cents per 100 pounds from Calgary to Vancouver, 642 miles, would be 028 of a cent per 100 pounds per mile, or 1.68 cents per bushel per 100 miles. The present 21-cent rate Calgary to Vancouver is 0327 of a cent per 100 pounds per mile, or 1.962 cents per bushel per 100 miles.

The western part of Southern Alberta is more highly productive than the castern. Its westbound grain traffic centres at Calgary. At the 21-cent rate, Calgary to Vancouver, that traffic now pays an average of over one half more per mile than it would pay if it went to Fort William at the 26-cent rate, and would pay one-third more per mile than the Fort William rate, if it were hauled

from Calgary to Vancouver for 18 cents per 100 pounds.

Mountain Construction and Maintenance Costs

Higher maintenance costs in the mountain region west of Canmore than eastward on the prairies was strongly urged by the Canadian Pacific as a reason for higher rates on the mountain than on the prairie haul. That these costs were, on the whole, higher was strongly disputed by counsel for the provinces.

In any case a railway must be maintained in all its parts, or it cannot serve a useful purpose for any part. It is obviously unfair to charge exceptional costs of local maintenance to the freight traffic of a certain section, when the special maintenance in question is just as necessary to and is used as fully by through traffic of all kinds as by local freight traffic. Construction costs are in the same position. The cost of construction of each part of a line is necessary to and must be carried by the earnings on the traffic of the whole line, whether the cost of construction or of maintenance of any part be either great or small. The exceptionally high costs of construction and subsequent improvement of the lines over the Laurentian plateau north of Lakes Huron and Superior, have never been reflected in special rates over that section of either line between Montreal or Toronto and Winnipeg.

Situation of Wheat Producer

So long as traffic was in its greater part local between the prairies and the coast, as it was for many years, whether there was a mountain differential or not was chiefly a matter of local concern. But when wheat for export is the main feature of the traffic between the prairies and the coast, the national interest becomes the dominant factor. Wheat is Canada's principal export. On increased wheat production Canada in large measure rests her expectations of prosperity and greatness. The wheat area extends 900 miles from east to west. It is narrowest in the extreme east and widest in the extreme west. Production is much more fully developed in the eastern than in the western part. Therefore the region of future expansion must be in that part of the prairies which, for geographic reasons, should find its most economical access to tidewater at the Pacific coast.

Canada's wheat fields are further from either ocean than those of any other country competing in the world's market, therefore a low cost of haul for its wheat to both seaboards is more important to Canada than to any other country. Canada must place her wheat on the world's market at a price that will compete with the offerings of other countries. If she cannot do that she cannot sell, and if she cannot sell-and at a profit to the producer-she cannot produce for export. In all cases the cost of transportation is paid by the producer in the price he receives for his wheat. Therefore the variation of each cent or fraction of a cent per bushel in the cost of transportation is reflected in the returns which the producer receives and is again reflected in the measure of his activities towards increase of production. The great world market for wheat is in western Europe. The western Alberta producer is further from that market by direct eastern route than his fellow farmers in Eastern Manitoba by the width of the whole wheat growing region and the cost of rail haul through From Vancouver the ocean distance to Liverpool is three times that from Montreal. Whether his wheat moves east or west, there is an initial disadvantage of greater actual distance from the principal market against production in Alberta; while the national interest imperatively demands that production shall be increased in that region to the limit that the world market will take at a price that will meet costs of transportation and enable the farmer to successfully continue and to expand his operations. Therefore the lower the rate by which the wheat of the western part of the prairie region reaches the nearest seaboard, the better for Canada, provided that the railways receive the fair cost of haulage as compared with earnings for like services elsewhere in Canada -no less and no more.

When the subject of through rates, Montreal and Toronto to Vancouver was under consideration during the hearing, it was urged by eastern shippers and agreed to by the railways, that rates to Vancouver, so low that they did not recognize mountain conditions, were justified as a means of enabling eastern

industry to hold its place in the Britsh Columbia coast market against world competition and thereby profitably expand production to the benefit of the

country at large.

If the national interest demands that rates across the continent which disregard mountain conditions and mileage as well must be given to the manufacturing industries of eastern Canada in order to enable them to hold the trade of Canada's Pacific coast against world competition from overseas, it would seem to be equally in the national interest that the wheat farmer of Alberta and eastern Saskatchewan who must also meet world competition—not in Canada but overseas in Asia and in Europe—shall not be prevented from doing so by the maintenance of rail rates to the Pacific based on conditions which are not recognized in the case of the eastern manufacturer.

National Advantage in Retaining Wheat Traffic

There is a further phase of the situation regarding westerly grain traffic that was brought to the attention of the Board during the hearing. If Canada's total overseas export of grain were carried by her own transportation facilities to her own scaports, whether it went west or east from the prairies would be a matter of merely local concern. But when successive crop years show much the larger volume finding United States ports over United States routes from Fort William easterly, instead of Canadian scaports over Canadian routes and using Canadian traffic facilities, the matter becomes one of national as well as of local concern. Canada has built three lines of railway between Atlantic navigation at Montreal and the prairies. She has also made practicable through navigation from Fort William to Montreal by a costly canal system and besides has a short-cut lake-and-rail connection by way of McNicoll and Midland on Georgian Bay to Montreal.

Comparatively little use is made of the through rail lines from Fort William for grain traffic. The great bulk of the eastbound grain goes forward from Fort William by water and is held in storage in the interior or at Fort William during the four months period of closed navigation on the lakes. Of that which leaves Fort William by water, the smaller part takes the Canadian lake-and-rail route by way of McNicoll and Midland to Montreal. Another part goes to Colborne on Lake Eric to be transferred to smaller boats by which it reaches Montreal through the Canadian canals. But by far the largest part takes the United States lake-and-rail route by way of Buffalo to United States Atlantic ports. For the past five and a half crep years, the distribution of Canadian

export wheat, in bushels, has been as follows:--

Crop Year	Pacific	Canadian	United States
	Ports	Atlantic	Atlantic
1922-23 1923-24 1924-25 1925-26 1926-27 (½ year).	53,809,000 23,992,000 52,954,000	69,044,000 72,980,000 44,723,000 69,963,000 37,456,000	129,871,000 141,079,000 75,071,000 142,174,000 90,992,000

These figures show that considerably more than half of our total wheat export crossed the Atlantic from United States ports, and of the total amount that went eastward both by water and rail, nearly two-thirds took the United States instead of the Canadian route. Grain traffic more than any other builds up the port from which it is shipped and of course pays toll to the carriers who take it there. The ninety million bushels of Canadian wheat of the crop of 1926 that went overseas from United States ports by the end of January, 1927, paid United States carriers and dealers a bulk sum of between eleven and twelve

million dollars. Grain shipped from the prairies to our Pacific ports pays toll only to Canadian railways and builds up Canadian ports; while eastbound, our export wheat traffic is internationalized on the basis of nearly two bushels through the United States to slightly over one through Canada.

Rail rates that are unduly unfavourable to traffic on the short haul from the prairies to the Pacific necessarily divert it to the long haul eastward, to the benefit of United States ports in the proportion of two to one as compared with Canadian. But not only so; there are times when the facilities of the port of Montreal are so heavily taxed by the present flow of grain that an increase of the easterly movement by the placing of higher rates against that to the Pacific would simply send, not two-thirds of the thereby increased easterly traffic, but the whole of the increase, to United States ports, by United States routes.

In this connection it is to be remembered that the maintenance of the standard of Canadian wheat in the world's market has an important bearing on its basic price. The maintenance of that standard has for many years been the subject of special legislation and careful administration. Grain passing through Canada's Pacific ports and through her Atlantic ports as well, is under Government supervision until it is in the hold of the ship. But grain that goes into a Buffalo elevator is then and there beyond Canadian Government control and is subject to manipulation in respect of its grades that would be illegal in Canada and is detrimental to the reputation, and therefore the market value, of Canadian grain generally, however profitable it may be to the dealer who is handling it.

Advantage in Winter Movement

An important feature of the grain traffic to Pacific ports as compared with that to Fort William is that it is not subject to the same seasonal conditions. Fort William is closed for four months of the year while Vancouver is open the year round. The eastward grain rush that follows harvest closes abruptly on the closing of navigation in the first half of December. This situation was discussed during the hearing and it was stated that on the Canadian Pacific the whole western personnel and machinery are built up to cope with the peak period of the grain movement eastward which lasts for from three to four months from the beginning of threshing in late August until the close of navigation in early December. In September to December, 1925, the eastern movement on the Canadian Pacific Railway from Winnipeg ran from 750 to 1,091 cars a day, while for the succeeding months it ran from 185 to 281 cars a day. ment was made that assuming facilities were used to full capacity during the four autumn months, they were from two-thirds to three-quarters idle during the balance of the year. To that extent the working force had to seek other employment, and the money that was invested in the extra track and rolling stock was earning no return. Seasonal conditions regarding lake traffic eastbound cannot be changed; but just so far as the grain traffic by way of the Pacific coast is developed, it makes possible the profitable employment of men and rolling stock that would otherwise be idle during the winter months, to the benefit of the country generally and of the railways as well. Of itself this would appear to be a substantial reason against discriminatory westbound rates.

MERCHANDISE RATES (BOTH WAYS)

The contention of the railways in support of the maintenance of the "mountain differential" on merchandise moving under class rates both ways within the western mountain region was based on the same grounds as their demand for increased westbound grain rates, namely excess difficulties of operation, maintenance and construction in that region as compared with the prairies.

The prairies sell grain and buy merchandise. The grain movement is both castward and westward to either ocean. The merchandise movement to the prairies is from both oceans or from the industrial centres adjacent to them. The eastbound rate on grain is statutory and the claim is made on behalf of the prairies that conditions being as they are, the westbound rate should not be higher. Similarly the claim is made that under existing conditions, merchandise rates from Pacific ports and cities to the prairies should not be higher per mile than those from Eastern Canadian cities and scaports. The mountain differential which applies throughout the region between the Pacific and the prairies increases by approximately 15 per cent the rates to westerly prairie points over those on similar merchandise coming from the east.

While the mountain differential applies westbound from the prairies to the Pacific as well as eastbound from the Pacific to the prairies, chief consideration was given during the enquiry to the traffic eastbound. Partly because the bulk of the movement that comes under the mountain differential in the region between the prairies and the coast is in that direction and partly because the question of mountain conditions adverse to westbound traffic was very fully

dealt with in connection with export grain rates.

The only important difference between the adverse conditions against westbound traffic and that eastbound is that the rise, or lift, castbound is from sea level to the summit of the passes in the Rockies, whereas westbound traffic conches these summits by a comparatively short rise from the high level of the prairie plateau adjoining the mountains. The region covered by the mountain differential extends on the Canadian Pacific main line from Vancouver to Canader, 575 miles, and on the Canadian National main line from Vancouver to Edson, 642 miles. Under the mountain differential between Vancouver on the west and Canader and Edson on the east, each actual mile is reckoned as mile and a quarter. That is the 575 miles, Vancouver to Canader, becomes 719 miles, and the 642 miles Vancouver to Edson becomes 802 miles when the class rates used on the prairie are applied.

Eastbound Conditions on Canadian National Railway

On the National the traffic conditions eastbound resemble those westbound except for the longer uphill pull. The summit is at an elevation of 3,720 feet. The total adverse rise on the National from Vancouver to the summit, 483 miles, is less than 4,000 feet. The maximum adverse grade is one half of one per cent, except that between Swift Creek and the summit, 56 miles, where there are sections in which the maximum grade is seven-tenths of one per cent.

The adverse rise or lift on the Canadian National main line from Winnipeg to Edson at the western limit of the region of mountain differential is over 4.000 feet in 925 miles with a maximum grade of four-tenths of one per cent. From Fort William the rise is over 5.000 feet. On lines of the National system on the prairies other than its main line, it is compelled to overcome elevations and gradients quite as adverse as those eastbound in the mountain region. For instance on its Saskatoon-Calgary line from Drumheller eastward the lift is 720 feet in 28 miles with a 1·3 per cent grade for \(^3\) of a mile and one-half of one per cent and over for 17\(^1\) miles. From Drumheller to Calgary westbound the lift is 1.185 feet in 84·4 miles with a seven-tenths grade for half a mile and a half of one per cent and over for 22\(^1\) miles. Drumheller is an important coal producing point. Coal, a commodity taking a comparatively low per ton rate, is shipped over these adverse grades in large volume to all prairie points and merchandise is carried both ways at strictly prairie rates.

In the Province of Ontario the National through line to Windsor rises 753.9 feet in the first 48 miles from Hamilton, an average of 15.7 feet to the

mile. The main line Toronto to Sarnia overcomes a rise of 965 feet in the first forty miles from Toronto, an average of 24.62 feet to the mile. The Sudbury line rises 778 feet in the first 29.2 miles from Toronto; an average of 26.67 feet to the mile. The North Bay line rises 748 feet in the first 23.3 miles from Toronto; an average of 28.44 feet to the mile. The Hamilton-Woodstock line rises 493.3 feet in the first 11.4 miles from Hamilton, an average rise of 43.27 feet to the mile. The most extreme rise eastbound in the mountain region on the National main line is 1,118 feet from Swift Creek to the summit, 56 miles, an average of slightly less than 20 feet to the mile. Notwithstanding the adverse conditions on these particular lines in Ontario, traffic over them is not penalized by differential rates. Not only so, but throughout the Ontario and Quebec region, as defined by the railways, the class rates average substantially lower than those which prevail on the prairies, to which the mountain differential is added on traffic between the Pacific coast and the prairies.

Eastbound Conditions on Canadian Pacific Railway

On the Canadian Pacific Railway the summit is 5.332 feet above sea level and the total adverse rise Vancouver to Stephen was stated by Mr. Neal of the Canadian Pacific to be 10.288 feet. The distance is 520 miles. The summit of the Canadian Pacific pass in the Rockies is 1.612 feet higher than that on the National. Besides there is the rise of 2.282 feet over the Selkirks from Revelstoke to Glacier which does not occur on the National. Therefore, the conditions regarding eastbound traffic in the mountains as compared with westbound traffic on the prairies is less favourable on the Canadian Pacific than on the Canadian National.

The performance of a 210 per cent locomotive eastbound Vancouver to Stephen, was given by Mr. Neal as follows:-

Vancouver to Ruby Creek	Mile	Ton
Ruby Creek to North Bend	81	3,500
North Bend to Wallachin.	48	1,500
Wallachin to Kamloops. Kamloops to Sigamous	90	1,400
Kamloops to Sicamous	32	2,686
(With pusher Chase to Notch Hill 13.9 miles)		2.712
(with pusher Taft to Clan William, 15,2 miles)		2.650
Glacier to Golden		1,330
Colden to Leanengh (with higher)	10 0	1,330
		1,330
Field to Stephen (with pusher).	14	$1,400 \\ 525$

On the figures as given the average train load from Vancouver to the summit s 1,851 tons for 520 miles with 81 miles of pusher assistance, as compared with .340 tons on the like calculation from Winnipeg to the summit, with 20 miles f pusher assistance.

While the figures indicate more favourable conditions westbound on the rairies than eastbound in the mountains on the main line of the Canadian 'acific, a comparison between mountain and prairie conditions must include ranch and secondary trunk lines, in order to be complete. Regarding cost of peration on prairie branch lines, Mr. Neal said:—
Our branch line construction and maintenance would not justify operation of 210 per

ent locomotives. Our line Melfort to Regina would probably carry 155 per

Regarding the secondary trunk line from Wetaskiwin on the Calgary and dmonton branch to Portage la Prairie on the main line, Mr. Neal stated that ie maximum train load for a 155 per cent locomotive from Millwood to insearth, 7.6 miles, was 750 tons, therefore a pusher was required permanently. rom Birtle to Solsgirth, 8 miles, on the same division, a pusher was also rmanently required. The Canadian Pacific branch Langdon to Drumheller 62863-18

had a rise of 925 feet in 43 miles from the Knee Hill terminus, with a number of .65 per cent adverse gradients, and three adverse velocity grades of 1.3, 1.6 and 1 per cent respectively. The chief purpose of this branch is to haul coal from the Drumbeller mines, for distribution throughout the prairies at strictly prairie rates.

The Canadian Pacific main line comprises slightly less than 16 per cent of

the system between Fort William and Canmore.

On the Toronto Sudbury line in Ontario the Canadian Pacific has a rise of 942 feet on the first 35.5 miles out of Toronto; on its Orangeville branch, 1.074 feet in the first 52 miles, and on its Owen Sound branch 1.363 feet in the first 52 miles out of Toronto. As in the case of the Canadian National, there is not only no differential against any class of traffic over these lines, but they share in the lower rates enjoyed by eastern lines as compared with rates in the prairie west.

Surplus of Westbound Freight

Before the flow of grain from the prairies to the coast began, when the bulk of the traffic through the mountains was eastbound in lumber, fish, fruit, etc., its handling meant a double movement of locomotives and empty cars for a single and expensive movement of freight.

Present conditions are that the principal movement, chiefly grain is from the prairies to the coast. The condition would seem to be much like that at Fort William in which the preponderance of eastbound traffic automatically

takes care of that westbound.

On the Canadian Pacific line the summit west of Fort William is at Raith, and the rise is 967 feet in 53 miles. On close questioning regarding the effect upon westbound traffic of the somewhat sudden rise from the shore of Lake Superior to the Laurentian summit, the evidence of both railways was in agreement that owing to traffic conditions the difficulty because of the adverse physical features was negligible. From the fact that the immense preponderance of the traffic was eastbound-grain to the lake-head-there was usually ample locomotive power arriving from the west to take care, on its return to the west, of the lesser tonnage of westbound merchandise traffic. If, for any reason, that was not the situation, when a heavy train had to be moved westward for the Canadian Pacific, an extra engine took a part of the train up the hill to Raith and left it there to be picked up by the other part of the train when it came along, the extra engine returning to Fort William without serious loss of time. It was agreed by the representatives of both railways that in either case owing to traffic conditions as described, the westbound operation of that section of the two systems was not burdensome. The maximum haul of a 210 per cent locomotive from Fort William to Raith was stated to be 1,427 tons.

The endeavour was made by both railways to show that the movement of grain westward did not take place at the same periods of the year as lumber and other commodities moved eastward to the prairies and therefore that the railways did not benefit by the westward taking care of the eastward flow as was the case at Fort William. On the other hand, the traffic both ways at Fort William is essentially seasonal, the port being completely closed for four months in each year and the grain rush being confined to a four months' period in the fall. The port of Vancouver is open the year round and the grain movement to it is spread over a much longer period than that to Fort William.

That the preponderance of traffic is now westbound was universally agreed and as well that in earlier years when the mountain differential was established, it was in the opposite direction. On that statement of facts it is clear that the condition which was in largest measure assumed to be justification for the

mountain differential does not now exist.

Through Rates Eastbound

Through rail rates from the Pacific coast to central Canada on commodities which originate at the coast and are distributed for consumption throughout central Canada-not for export-are on a basis similar to that which governs through commodity rates westbound from Montreal and other eastern points to Vancouver. Although the length of haul Vancouver to Montreal is more than four times that from Vancouver to Calgary, and is over the same tracks from sea level to the summit of the pass in the Rockies, there is no recognition of adverse mountain conditions in those through rates. But a comparison of distances, together with rates, shows clearly that the rates on these same commodities to prairie points are in fact a recognition of the principle of "mountain differential" as applied to merchandise traffic from the coast to the prairies under class rates.

Following is a comparison of carload rates from Vancouver to Montreal. Toronto and Calgary, the distance Vancouver to Montreal is 2.885 miles. to Toronto 2,706 miles and to Calgary 642 miles.

Commodity	To Montreal	To Toronto	To Calgary
Lumber Rice, cleaned or milled Fish (canned-boxed) Fish (canned-boxed) Vood pulp (dry) Hides (green) Dil (fsh including whale oil) Fish (dried, smoked or salted)		cts. $88\frac{1}{2}$ $115\frac{1}{2}$ 105 138 $91\frac{1}{2}$ 125 7.5 $131\frac{1}{2}$ $107\frac{1}{2}$ $88\frac{1}{2}$ $105\frac{1}{2}$ 110	cts. 50 98 98 98 50 98 98 98 98 98 50 98

Haulage Conditions Over Laurentian Plateau

Comparison has been made between haulage conditions within the prairie and mountain regions respectively. But prairie conditions are not properly in puestion in considering justification for the "mountain differential" In pracical effect it is an extra charge upon the prairie consumer in respect of goods eaching the prairie from the Pacific region, and is only properly comparable with the charge made in respect of like goods reaching the prairie from the ttlantic region. The extra charge on traffic from the west has been permitted ecause of alleged extra difficulties and costs of haul from the west as compared rith that from the east.

Traffic reaches the prairies by all rail to Winnipeg, which is near the astern limit of the prairies, or by lake to Fort William and by rail to Winnipeg. During four months of the year the lake-and-rail route is not available, and all raffic must take the all-rail route. Even during the season of open navigation ne merchandise traffic, which moves under the higher class rates, largely takes ie all-rail route. The Laurentian plateau lies between North Bay and Fort Villiam just as the Rockies and Selkirks lie between Vancouver and Calgary. onditions on the Canadian Pacific main line Montreal to Fort William are roperly comparable to those on the main line Vancouver to Calgary. A stailed statement of the haulage performance of a 210 per cent locomotive. Iontreal to Fort William, was given by Mr. Neal as follows:-

great of this remains	
atomiteat to Smiths Falls	Cons
Schreiber to Fort William. 1 63—183 1	, 320

The average is 1,584 tons per train with 57.8 miles of pusher assistance, as compared with an average of 1,851 tons, Vancouver to Stephen, with 81 miles of pusher assistance. The total adverse rise to be overcome, Montreal to Fort William, is 11,389 feet, as compared with 10,288 feet Vancouver to Stephen. To make another comparison; the distance from Cartier to Fort William is 520 miles, the same as from Vancouver to Stephen. For that distance the maximum haul is 1,268 tons without pusher; or from North Bay to Schreiber, 500 miles, the maximum is 1,513 tons with pusher for 57.8 miles.

Differential Westbound to Prairies

Although the actual per mile costs of railway operation on the Canadian Pacific Railway from Montreal to the prairies is approximately the same as from Vancouver to the prairies, a differential of 130 miles has been established in favour of the haul from the east on both railways. This differential applies on the rail haul from Fort William in respect of lake traffic, as well as on the all-rail haul from Montreal. Instead of the class rates from Montreal to Winnipeg on the Canadian Pacific being charged on 1,411 miles, they are charged only on 1.281 miles, and instead of the like rates from Forth William to Winnipeg being charged on 420 miles, they are charged only on 290 miles. The situation therefore is that traffic from the east to the prairies is carried 130 miles for nothing, while traffic from the west to the prairies pays on 144 miles more than the actual haul. As between traffic from the east and from the west, there is a double differential, while the actual operating conditions do not appear to give reason for any difference whatever.

The second differential against the haul from the west is to some extent cancelled by the distributing rate from Vancouver as a wholesale centre. But, during the hearing, it was agreed by both railways that the cancellation of the "mountain differential" would mean a substantial reduction in their respective revenues. The actual amount of loss can only be estimated. Whether it would be more or less than half a million the amount is large enough to be of serious interest both to the railways, to prairie consumers and to the dealers

who desire to supply the merchandise affected by these rates.

The Order in Council under which the general rates enquiry took place is explicit in stating that the rate structure to be established as a result of the information secured, shall, under substantially similar circumstances and conditions, be equal in its application to all persons and localities. The question of which party shall lose or gain as the result of its conclusions as to what is an equal application of rates, is not. I respectfully submit, within the responsibilities of the Board in this case.

GRAIN AND FLOUR FOR DOMESTIC USE

The rate from Calgary on grain and flour for home consumption in British Columbia is 41½ cents per 100 pounds, as compared with the present rate of 21 cents per 100 pounds for export. It was urged by the Province that this rate was unduly high, and was especially burdensome on the dairy and poultry industries of the lower main land and Vancouver Island, which must depend in largest measure on imported feed for their stock. On the part of the province of Alberta it was urged that a lower rate would permit the profitable marketing of a proportion of the low grade or damaged grain that from time to time results from unforeseen and unfavourable seasonal conditions, and that, at present rates, finds no adequate demand.

Both railways opposed the application for lower rates on grain and flour for domestic use. They were supported in this position by a representative of the Canadian Millers' Association, who argued that if grain for domestic use were permitted to reach the west at export rates, it would be possible for United States millers on the Pacific coast to profitably import it for mixing purposes and thereby enable them to compete more successfully in the foreign markets with Canadian mills. It appeared from the evidence that export rates on grain from the prairies to Vancouver do not apply if the grain is destined for the United States.

It is an accepted principle in railroad rate making that export and domestic rates on any certain commodity, being based on different conditions as to marketing, may properly differ in amount for the like per mile service. Therefore, the export grain rate from the prairies to British Columbia ports cannot be accepted as fixing the standard rate on grain required for domestic use within the province. At the same time, as British Columbia produces less wheat in proportion to population than any other province, the question of rates from the prairies on grain and flour for local consumption is of greater importance to every section of the people there, including those engaged in the various forms of agriculture, than to those of any other section of the country. Therefore, they ask for rates on grain and flour for domestic use that shall be as favourable to them as the lowest accorded any of the other provinces.

From prairie points eastbound to Fort William, there is no difference in rail rates between grain and flour for export and for domestic use. The consuming population at the lake head who thus get the benefit of an export rail rate on their domestic supplies, is not large enough to be considered as a factor in the case. But the major portion of the grain consigned to Ontario and Quebec points, leaves the lake head by boat, not by rail, and reaches the lake and river ports of these provinces by the same means. In this way the greater part of the two larger provinces of the Dominion containing two-thirds of the total population of the country, may receive the bulk of their domestic supply of wheat and flour, either actually at export rates,—as in the case of all cities on the water front, including Toronto, Montreal and Quebec,—or at those rates with local distributing costs added for delivery at interior points from the most convenient lake or river port.

Under these circumstances Counsel for British Columbia contended that the rate of 41½ cents per 100 pounds from Calgary to Vancouver for domestic use was excessive and discriminatory. It appears from the published Government returns that aside from the cost of sacking grain exported to Japan and China, the grain and flour from the prairies used in Yukohama and Hong Kong frequently paid no greater total freight rate from prairie points than that used in Vancouver and Victoria.

The all-rail export rate Fort William to Montreal is 34½ cents per 100 pounds. The domestic rate is 37½ cents which is three cents over the export rate. The rail distance Fort William to Montreal is somewhat more than one-half greater than that between Calgary and Vancouver. There would not appear to be any reason why the difference between export and domestic rates on grain of export standards from prairie points to Vancouver should be greater than that between lomestic and export rates on the longer haul, Fort William to Montreal.

Without discussing the merits of the contention of the Canadian Millers' association against equalizing domestic and export rates to Vancouver, as they re now equalized to Fort William, it would seem that a differential rail rate of 3 ents per 100 pounds would be as much protection against the overseas competition of United States Pacific coast millers as Canadian millers can reasonably laim to be entitled to at the sole cost of the people of the province of British Columbia, where the consumption of flour—exclusively the product of Canadian mills—per head of population is greater than in any other province of the Dominion.

Export Rate for Grain Below Export Quality

Although a domestic rate three cents per 100 pounds over the export rate from prairie points to Vancouver would be the same difference between domestic and export rates as now prevails on the all-rail grain movement from Fort William to Montreal, it would not put the respective populations of Vancouver and Montreal in the same relative positions as to cost of their domestic supplies, because central Canada generally, including Montreal, in fact gets

the bulk of its domestic supply by rail and water at the export rate.

As already mentioned, special representations were made to the Board on behalf of the poultry and dairy industries of the lower mainland and Vancouver Island sections of British Columbia in regard to their need of cheap feed grain. It was also brought to the attention of the Board that while Alberta under normal conditions produces the highest quality of wheat, oats, barley and other grain, from time to time a more or less considerable proportion of the crop of these grains is damaged by exceptional seasonal conditions and thereby rendered unfit for export. The bulk of this damaged or low grade grain can be used as feed for cattle, hogs and poultry; and if there is live stock of these classes locally in sufficient numbers to consume it, there is some salvage on what would otherwise be total loss. But unfortunately, in the sections of the prairie region where wheat is the principal crop, the number of live stock is generally limited. Also, when unfavourable seasonal conditions occur, they are usually quite general in character and the supply of grain thereby rendered unfit for export is beyond the local demand; resulting in serious loss to the producer. Damaged grain is not as suitable feed for live stock as sound grain, but if it can be secured at a sufficiently lower price, it answers the purpose fairly well and will be used accordingly. The present domestic rate of 41½ cents per 100 pounds practically excludes such grain from use by the poultry and dairy farmers of the coast region and compels them either to pay the full price for grain of export quality, with the 41; cent transportation cost added, or to buy corn imported by ship from the Argentine. Either way the country suffers an economic loss and their difficulties in carrying on their operations are materially increased.

With the view of adjusting freight rates so that "Under substantially similar circumstances and conditions" they shall be—so far as may be reasonably practicable—"Equal in their application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion," as directed by the Order in Council which authorized the General Freight Rates Enquiry, it was suggested that while domestic rates substantially higher than those for export might properly be established in respect of grain of export quality, it would in some measure equalize the advantage which central Canada now enjoys in respect of its domestic supplies, if grains of all varieties which are below milling or export quality were allowed export rates from the prairies to Pacific points, as all

grades of all grains are allowed to Fort William.

The feed value of low grade or damaged grain is not sufficient to allow the British Columbia consumer to pay a price that will enable the producer to haul to the railway station and pay the present domestic rail rate as well, in competition with corn from the Argentine, delivered by ship in Vancouver. The railroad therefore altogether loses the haul on this grain, while the producer loses the selling value of the grain and the British Columbia poultry and dairy farmer pays his money for a foreign supply.

All grain shipped to Vancouver is officially graded at Calgary or Edmonton. The difference between the grades is well defined and universally recognized. The several grades are hauled in different cars and stored in different elevator bins at Vancouver. The milling and export grades of wheat do not go below No. 4

Northern. In the case of oats and barley export grades do not go below No. 3 C.W. (Canada Western). All grades of wheat below No. 4 Northern and all grades of oats and barley, rye and flax below No. 3 C.W. are only useful for

local feed purposes.

The transportation of grain of these lower grades at export rates would not by any means place the consuming population of British Columbia in the same favourable position in regard to their domestic food and feed supply as that at present enjoyed by the people of central Canada, but it would be in that direction and would be of substantial advantage to the prairie producer and to the railway as well.

Because of the facts and conditions as above stated I am of opinion that

action should be taken to bring about results as follows,-

(1) The Canadian Pacific Railway be required to comply with the Order of the Board of September 2, 1925, by reducing the export rate on grain and flour from prairie points on their main line to Vancouver to the per mile rate now in force from prairie points on their main line to Fort William.

Also that if in pursuance of an Order of the Board, changes are made in their export rates on grain and flour from prairie points to Fort William on the main line of the Canadian Pacific, the export rates west-

bound should forthwith be made to conform with such changes.

(2) The Canadian National Railways be notified that when any changes are made in the per mile export rates on grain and flour on the main line of that system from prairie points to Fort William, the same per mile rates are to be made effective forthwith from prairie points to Vancouver.

. (3) That the Canadian Pacific and Canadian National Railways be notified to amend their class rates applicable in the region between Canmore and Edson on the east and Vancouver on the west to the level of actual

mileage.

(4) That the Canadian Pacific and Canadian National Railways be notified that rates on grain and flour for domestic use shall not be more than 3 cents per 100 pounds higher from prairie points to Vancouver, than the rates from the same points on grain and flour for export.

Provided that the rate on grain below export quality, that is wheat of a quality below the grade of No. 4 Northern, and other grains below the grade of No. 3 C.W. (Canada Western) shall not exceed the export

rate.

III

RATES FROM THE PRAIRIES TO ATLANTIC PORTS ON GRAIN FOR EXPORT

The Order for a General Freight Rates investigation dated June 5, 1925, (P.C. 886) was supplemented by a further Order (P.C. 24) dated January 7, 1926, by which the Board was directed,—

Especially to enquire into the causes of Canadian grain and other products being routed or directed to other than Canadian ports; and to take such effective action under the Railway Act, 1919, as the Board of Railway Commissioners for Canada may deem necessary to ensure as far as possible the routing of Canadian grain anad other products through Canadian ports.

The wheat crop of Canada for the season of 1925 was estimated by the Dominion Bureau of Statistics at 411,375,000 bushels of which 384,047,000 bushels was produced west of the Great Lakes. Canadian Customs returns show wheat exports for the crop year ending July 31, 1926, amounting in round figures

to 275,000,000 bushels; of which 53,000,000 bushels went overseas from Canadian ports on the Pacific; 90,000,000 bushels from Canadian Atlantic ports; 122,000,000 bushels from United States Atlantic ports and 10,000,000 bushels

to the United States for consumption there.

Canada's barley crop of 1925 amounted to 112,000,000 bushels, of which 94,000,000 bushels was produced west of the Great Lakes. Total exports were 34,000,000 bushels of which 14,000,000 bushels went from Canadian and 20,000,000 bushels from United States scaports—roughly forty-two per cent from Canadian and fifty-eight per cent from United States Atlantic ports. Of the total export Britain took 25,000,000 bushels or almost seventy-five per cent.

Exports of oats amounted to 33,000,000 bushels of which 28,000,000 went overseas by Canadian and 5,000,000 bushels by United States Atlantic ports. Canadian ports received eighty-four per cent of the oat traffic and United States

ports sixteen per cent, Britain took almost exactly half the total export.

The total exports of Canadian barley and oats from United States ports

equalled in tonnage twenty million (20,000,000) bushels of wheat.

The principal purchasers of Canadian wheat of the crop year 1925-26 were:—

	Bushels
United Kingdom	198, 402, 001
Irish Free State	1,645,317
Belgium	10,749,600
France,	3,008,538
Netherlands	
Germany	4,928,339
Sweden	8,630,666
Circece United States.	10, 464, 041
Japan.	
China	

Twenty other countries purchased quantities of less than one million bushels each. British imports, which were for distribution to other countries as well as for home consumption, amounted to 72 per cent of our total wheat

exports

Wheat is Canada's most important export both in total tonnage and gross value. In the period corresponding to the Canadian crop year 1925-26 Argentina exported 87 million, United States 74 million, Australia 54 million, Hungary 11 million, Jugo Slavia 10 million and India 6 million bushels of wheat. That is to say, within recent years, Canada has become the leading wheat exporting country of the world. The United States and Russia each produce more wheat, and in former years exported more than Canada. But since the beginning of the Great War, Russia's exports have been negligible, while exports from the United States have decreased, owing to increase of population without

corresponding increase of production.

Wheat is a most desirable cargo for ocean shipping. Under modern conditions it is cheaply and easily handled both into and out of the ship. It is not readily subject to damage and cannot damage other cargo. It always has a gold value and can always be conveniently used to fill out a shipload. Taken altogether, it is probably the most desirable commodity that any country can offer in large volume to ocean carriers. Therefore wheat traffic through any certain ocean port is a means of attracting shipping and trade generally to that port, to the vast benefit of all dependent or associated interests, including the railways which serve the ports. The fact that Canada is the principal producer of the commodity which gives this desirable ocean traffic would seem to offer Canada an advantage in world commerce which, as shown by the trade returns, she does not, in actual fact, enjoy.

So far as the grain movement from the western part of the prairie region to the Pacific coast is concerned, the United States plays no part. The haul

is by Canadian railways to Canadian ports only. But in the case of the movement from the eastern part of the prairies to the Atlantic coast, United States transportation interests and seaports evidently play the dominating part.

Following are the totals for the past eight years of Canadian wheat exports through Atlantic ports with the respective percentages passing through the ports

of each country:-

Y ear	Total Bushels	Canadian percentage	United States percentage	
1918–1919 1919–1920 1920–1921 1921–1922 1922–1923 1923–1924 1924–1925 1925–1926	56, 972, 757 61, 369, 052 86, 387, 488 134, 837, 740 198, 916, 079 214, 060, 314 119, 734, 384 212, 128, 279	64 · 6 78 · 7 36 · 6 25 · 8 34 · 8 33 · 7 37 · 5 42 · 2	35·3 21·2 63·3 74·2 65·2 66·3 62·5 57·7	

From these figures it is plain not only that the United States receives the benefit from the handling of the major portion of Canada's eastbound export wheat traffic, but that this condition is in large measure stabilized and that radical measures are necessary if any important change is to be brought about. Canada has the shortest all-rail haul and the shortest ocean haul from the prairie to Liverpool. She has three rail lines from the prairies to the St. Lawrence ports. She has the only actually serviceable all-water route from the head of the Lakes to the Atlantic ports. She has the shortest lake-andrail haul between the same points. Notwithstanding these advantages, and the vast expenditures that have been made to provide them, during the crop year 1925-26 Canada paid to United States interests for the transportation of 122 million bushels of her export wheat to United States seaports, not less than 15 million dollars (\$15,000,000), and besides sacrificed the vast trade benefit that went to the United States because of that diversion of wheat traffic.

In the year 1925 the total number of transatlantic liners arriving at Montreal was 1,040, having a total cargo capacity of 4,744,793 tons, or an average of 4,562 tons per vessel. The volume of Canadian wheat, oats and barley shipped overseas through United States Atlantic ports in the crop year 1925-26 would have provided full cargoes for 1,000 ocean vessels of 4.300 tons each.

There are many reasons tending to bring about this result, but the two most important and outstanding are, first, the lower ocean rates available at United States Atlantic ports for wheat as return cargo because of the vast volume of merchandise tonnage reaching these ports and second, the period of closed navigation to the St. Lawrence ports, and the consequent longer rail haul during that season to the Maritime ports. Of the two the former is much the more important.

The "Pull" of United States Ports

So long as Canada exported a less tonnage of wheat than she imported of merchandise, she had no difficulty in retaining the export traffic in her own grain. Montreal was the seaport that, being farthest inland, was the most suitable point for distribution of merchandise throughout all westward Canada. The problem then was to get wheat to Montreal for export in sufficient volume to balance the imports of merchandise and so cheapen the ocean rate on the latter. As the Canadian grain surplus for export was not then sufficient, the constant endeavour was to divert export wheat of the United States from its own ports to that of Montreal. It was chiefly with that object in view that the Canadian canals were deepened to 14 feet, that the Canada Atlantic Railway was extended to Parry Sound and that, by the building of elevators at

Tiffin by the Grand Trunk and at McNicoll by the Canadian Pacific on Georgian Bay at its southeastern extremity, these ports were established as transfer and storage points on the lake and rail route from Duluth, Chicago and Fort William to Montreal; as Buffalo had already been established on the route from the same lake head ports to New York.

The conditions of twenty to thirty years ago do not prevail to-day. In 1890 Canada exported two and a half million bushels of wheat of which only 422,000 bushels was of home production. In 1904 she exported 23,000,000 bushels of which 17,000,000 bushels was home production, and in the year 1925-26 she exported 275,000,000 bushels of wheat of home production only, while United States wheat to the amount of 26,000,000 bushels was handled through Canadian ports during the same period. It is of course gratifying that Canada has been able to retain such a considerable amount of the traffic in United States grain. But shipment of 26 million bushels of United States wheat from Canadian ports does not compensate Canada for the loss of the haul of 122 million bushels of Canadian wheat that was shipped from United States ports in the same season especially in view of the fact that of the United States wheat shipped through Canadian ports, the part that was brought to Montreal by United States lake carriers—by far the larger proportion—contributed practically nothing to Canadian earnings either by lake or rail.

Montreal is Canada's natural eastern outlet for her export grain. It can be brought from the lakehead (Fort William and Port Arthur), to Montreal by the lake and canal route, by the shorter and quicker lake and rail route, or by either one of two all-rail routes. For the amount of grain sufficient to fill the vessels bringing merchandise and seeking return cargo, Montreal has a material advantage over any or all of the United States Atlantic ports. Up to the amount of the tonnage of her incoming merchandise. Montreal gets a return rate on an equal tonnage of outgoing freight. Whatever outgoing vessel tonnage is not occupied by other cargo, can be filled with grain at return cargo rates. Naturally a vessel which has brought a profitable cargo of merchandise to Montreal, can take return cargo at a rate below that which a vessel that came out light for the purpose of loading with grain on the return trip, could afford. As the great commercial port of Canada, Montreal receives an immense tonnage of merchandise, proportioned to the needs of the country, and to that extent, whatever it may be, is able to handle Canada's export grain traffic. But Canada's import tonnage is by no means equal to her export tonnage when grain is included. And for the grain that is over the amount of the return tonnage available in the vessels outbound from Montreal, a one way rate must be paid for the ocean voyage if it is loaded at that port.

Following are the shipments overseas by way of Atlantic ports, during the crop year 1925-26:

Canadian—	Bushels
Montreal. Quebec.	74,660,253 3,095,334
Št. John Halifax	10,963,458 834,339
	89,553,384
United States—	
New York	75, 424, 890
Philadelphia	16,931,010
Baltimore	12,516,907
Norfolk, Va	335,874
Boston	3,146,690
Philadelphia Baltimore, Norfolk, Va. Boston. Portland.	5, 592, 270
	113,947,641
In store at United States Atlantic ports on July 30, 1926	1,888,404
In bond for grinding and export	16,841,000

The above figures regarding wheat exports appear in the report of the Dominion Bureau of Statistics. Those regarding the United States are from the

United States Department of Commerce report.

The United States Atlantic ports have a larger tonnage of incoming than of outgoing cargo. The difference increases from year to year as population increases while the area of wheat production does not. The United States Atlantic ports have need of wheat in constantly increasing volume to give return cargo to the vessels, bringing them merchandise. Consequently while there is a limit to the volume of grain that Montreal can take as return cargo, there is practically no limit to the amount that the United States can take at return cargo rates.

Rates by Inland Water Route

During the season of navigation of 1926, the lake and canal rate from the lake head to Montreal was 9.60 cents per bushel, and to Quebec 10.20 cents.

But in addition to the transportation charges by vessel and rail on grain taking the lake-and-rail route from the prairies to the Atlantic seaboard, there

are storage and transfer charges at each point where bulk is broken.

On the lake and canal route there are elevator, storage and sundry charges at Fort William amounting to 1.53 cents per bushel and an additional charge for lake insurance and wharfage at Montreal of ·49 of a cent. Adding these amounts to the boat rate makes the cost, lake and canal route, Fort William to Montreal for the year 1926, 11.24 cents a bushel with Colborne transfer from lake to canal sized vessels: 11.37 cents with Buffalo transfer and 11.62 cents through without transfer, or an average of 11.41 cents by the all water route to Montreal, or 12.01 cents to Quebec.

By lake and rail through the Bay ports, there would be the same elevator, storage and sundry charges as on grain going all water, of 1.53 cents per bushel at Fort William, an average lake rate (season of 1926) of 3.01 cents; lake insurance and elevator charge at Bay ports .44 of a cent, rail rate to Montreal 8.6 cents and wharfage at Montreal 0.18 of a cent, a total of 13.86 cents. Fort William to Montreal.

By way of lake and rail through Buffalo to New York there would be the same Fort William charges of 1.53 cents per bushel, an average lake rate (season 1926) of 3.67 cents, lake insurance and elevator at Buffalo, .44 of a cent, rail rate Buffalo to New York 9.1 cents; F.O.B. New York 1 cent, total 15.76 cents per bushel. To Philadelphia and Baltimore the rate would be 0.3 of a cent less

than to New York, or 15.46 cents per bushel.

This comparison gives Montreal an advantage of 4.35 cents per bushel in the all-water rate and 1.9 cents in the lake and rail rate over New York. The fact that notwithstanding this advantage in inland freight rates, New York handled as much Canadian wheat as Montreal, while Philadelphia, Baltimore and Norfolk, Virginia, handled an additional 26 million bushels, is evidence that, in spite of more favourable inland rates, overseas shipments of wheat by way of Montreal under present conditions are limited by the amount of return cargo tonnage available at that port.

Marine Insurance Rates

Rates of insurance on vessels and cargoes play a large part in diverting traffic from or directing it to any certain scaport or group of scaports. Mr. A. Johnston, Deputy Minister of Marine, told the Board during the enquiry that tramp vessels (not liners) trading into the River St. Lawrence during the summer months are penalized to the extent of an additional 14 per cent insurance premium, as compared with New York on value of vessel (not including cargo). For the period from November 1st until the close of navigation, there is a further

penalty of 1 per cent. A tramp vessel valued at \$500,000 and insured for that amount, will, if it arrives in Montreal for a cargo during the summer months, have to pay an extra premium over New York of \$6.250. In the months of November or December, the extra premium would be \$11,250 for the trip. These conditions apply to both Montreal and Quebec and to St. John as well, but not to Halifax.

Insurance rates on cargoes from North Atlantic ports to the United King-

dom are as follows:-

New York, Boston and Portland	
	10
Halifar and St. John	
namax and be, some	
Quebec	
Montreal	

The rates from New York, Boston and Portland are for the year round. From Montreal and Quebec these rates apply only from the opening of navigation to October 15th. Peyond that date, up to the close of navigation, rates

range from 5 cents to 27½ cents above those mentioned.

The Imperial Shipping Committee on Marine Insurance Rates in its 1925 Report, estimates that on wheat from St. Lawrence ports to the United Kingdom, the insurance premium over the New York rate on hull and cargo amounts

to approximately 5 per cent of the ocean freight.

The marine insurance of the world is largely in the hands of "Lloyds" having hendouarters in London, England. The attitude of that organization towards Canadian traffic may be gathered from a warranty form appearing in the 1925 Report of the Imperial Shipping Committee on Marine Insurance Rates. This warranty must be signed as a condition or securing insurance at standard Atlantic (that is New York) rates. It is as follows:-

Warranted not to enter or sail from any port or place in British North America on the Atlantic coast, its rivers or adjacent islands, except the port of Halifax, and for bunkering purposes only the ports of Louisburg and Sydney, or to enter or sail from any port or place north of 50 degrees North Latitude on the Pacific coast of America, its rivers or adjacent islands.

The penalty of additional premium (amount varying at the discretion of Lloyds), must be paid if the yessel sails to any port excluded by the warranty. Since the date of the report Prince Rupert has been removed from the black

Halifax was included until 1925.

In the General Rates Enquiry the Board was instructed to find and take suitable action on the facts. But the comparative weight of what appear to be contradictory facts can only be correctly estimated if their foundation and relationship is understood. Assuming that marine insurance charges are based on a fine climate of vessel risks, it is difficult to appreciate the situation which demands an insurance penalty on the cargo of a vessel destined to Halifax, while the vessel itself is relieved from penalty; or that permits a vessel to enter Louisburg habour for coal, but does not permit her to load or discharge cargo while doing so. Especially having regard to the fact that over 200 years ago Louisburg was cladifished as the French naval base on the North Atlantic largely because of its superior accessibility and safety. It is equally difficult to understand on what principle Portland, Maine, is given the same rates for the same season as New York while St. John only 250 miles further easterly on the same coast, is so heavily penalized as to hulls and cargoes, and limited as to seasons. The Canadian Pacific and Allan Lines had 871 winter sailings from St. John between 1908 and 1924 and in that period had only one wreck.

It would seem reasonable that the St. Lawrence ports should pay extra insurance rates for short periods at the opening and closing of navigation, but it is difficult to see why the vessel that at the eastern end of her summer voyage passes through the narrow waters that lead either to Liverpool, Glasgow, London or the Danish, Swedish or German western Baltic ports without extra insurance. must pay a penalty at the western end of her voyage on the wider, calmer and as

well lighted waters of the Bay of Fundy or the Gulf and River St. Lawrence. Vladivostock, Siberia, is closed by ice in winter. But vessels may sail to or

from that port between May 1st and November 1st without penalty.

Whether or not in the future it may become possible to remedy in whole or in part these adverse conditions of marine insurance, their present existence has an important bearing on ocean grain rates, both from our St. Lawrence and our Maritime Province ports. There can be no doubt that they have been very effective in keeping vessels other than liners (which carry much lighter insurance rates) away from all Canadian Atlantic ports and thereby are in considerable measure responsible for the extent to which Canadian grain has been diverted to United States seaports.

Liners sometimes run light one way; and sometimes tramps bring as well as take cargo. But, speaking generally, if Canada is to recover a dominant position in the export of her own grain, it must be through the attraction to her ports in

iarge measure of vessels seeking one way cargo, in other words, tramps.

The insurance penalty imposed on tramp vessels and applicable to all Canadian Atlantic ports except Halifax, is serious enough, but its indirect effect in tending to exclude such vessels from the St. Lawrence route, is even more important in connection with the one way grain traffic. So long as conditions remain as they are, the insurance penalty on both hulls and cargoes must be "absorbed" by the inland rates.

United States Ocean Traffic needs Canadian Wheat

Of 264 million bushels of wheat which reached the lake head from the prairies in the crop year 1925-26, all but ten million bushels went forward by the lake and canal or lake and rail route. This included the portion to be milled in Canada both for domestic consumption and for export as flour. The fact that of the amount that was forwarded for export overseas only 90 million bushels went through Canadian ports while 122 million bushels went forward for export through United States ports, is evidence that although Canada has the only lake and canal route to her St Lawrence ports and the shortest lake and rail route as well, these combined do not give her sufficient advantage over the United States to enable her to retain the export of her own grain. Rather it indicates very clearly that as long as Canada depends solely on those routes, she must divide her export grain traffic with the United States and take the smaller share.

The conditions of thirty years ago are now reversed. Then the United States had more outgoing wheat than incoming merchandise, while Canada had less wheat than merchandise. The navigation of the upper lakes is common to both countries. The Buffalo-New York route was the great outlet for export grain from the northwestern States. When Canada needed wheat to give return cargoes to ships bringing merchandise to Montreal, she was able by deepening the canals and establishing rail connection with the Georgian Bay ports, to attract some share of United States wheat for that purpose from the Buffalo-New York route. Now that the United States needs Canadian wheat to give return cargoes to vessels bringing merchandise to her Atlantic ports, she is able to attract a large share of it from the Canadian lake-and-canal and lake-and-rail routes to the Buffalo-New York route. How great is the need of the United States seaports for Canadian grain as return cargo, is shown by a comparison in bushels, of exports of Canadian and of United States grain of all kinds by way of United States Atlantic ports during the year 1926, as given in the 1926 report of the Montreal Harbour Board, as follows:-

	United States Grain	Canadian Grain
New York	Grain	
Boston.	20, 138, 626	79, 159, 096
Philadelphia.	282,255	4,542,953
Raltimore	6,832,016	14,789,631
Baltimore	10,857,472	14,436,550
Norfolk	460,619	669,500

The records of the past nine years prove conclusively that if Canada is to hold even a fair share of the export traffic in her own grain, she must supplement whatever advantage there may be in her lake-and-canal and lake-and-rail routes by the effective use of her three railway lines which give connection between the wheat fields and the St. Lawrence ports in summer and the Meritime Province ports in winter.

The Georgian Bay Ports

Regarding the lake situation: The big carriers of the upper lakes are too large to go through the St. Lawrence canals. They carry from the lake head to the Canadian ports on Georgian Bay or to Colborne and Buffalo on Lake Erie. At the Bay ports they transfer for rail haul to Montreal; for local storage and forwarding in summer for domestic consumption, or to Maritime Province and New England ports in winter. At Colborne transfer is made from the upper lake carriers to smaller vessels of canal size for forwarding to Montreal or Quebec. At Buffalo transfer may be made as at Colborne to the canal route to Montreal; to the rail route to New York, Philadelphia, Baltimore or Norfolk, or into storage for winter forwarding as the liners arriving at those ports need return cargo. The lake haul to the Bay ports is much more direct and therefore shorter than to Buffalo. A vessel can make three round trips from the lake head while she is making two to Buffalo. But return cargo of coal may be had on the Buffalo route while none is available on the Bay ports route. Consequently the difference in length of lake haul is not reflected

in a correspondingly lesser lake rate to the Bay ports.

The rail haul from the Bay ports to Montreal is considerably shorter than that from Buffalo to New York. The rate to Montreal is 8:6 cents as compared with the New York rate of 9.1 cents. While the St. Lawrence is closed, grain for export must take the longer haul to the open winter ports. The rate from the Bay ports to Boston, St. John and Halifax is the same as from Buffalo to New York. Quebec is not a winter port. It is only 170 rail miles from Montreal while the winter port of Boston is 340 miles, St. John 481 and Halifax 848 miles. Notwithstanding the much shorter distance to Quebec and the fact that it is not a winter port the rate from the Bay ports to Quebec is the same as to Boston, St. John and Halifax. It would seem fair, as the winter ports of Boston, St. John and Halifax are grouped under one rate although the length of haul varies so widely, that the summer port of Quebec should be grouped under the same rate as Montreal, especially when the difference in distance between the two summer ports is so much less than the average between the several winter ports. In actual fact grouping is discrimination, but if for good and sufficient reasons it is necessary in the case of the winter ports, both Canadian and foreign, the same reasons it would seem should be sufficient to place the two summer ports of the St. Lawrence in the one rate group.

The winter rail haul from the Bay ports to St. John and Halifax is much greater than to the United States ports of Portland, Boston, New York, Philadelphia or Baltimore. Rail rates from the Bay ports to Canadian and United States winter ports are the same. As a purely business matter when there are the same rates for different lengths of haul, the railways naturally prefer to route the grain to take the shorter haul. There is an exception in the case of St. John to the amount of the grain needed as return cargo by Canadian Pacific liners discharging at that port. But beyond that amount the rule holds.

It is to be noted however, that in the case of haul to a Canadian port, the Canadian railway gets the whole cost of haul to the port, and the return haul, if any, as well, while it only gets a share of the earnings on the haul to a United States port. On grain delivered at New York from the Bay ports.

one-third of the haul would be in Canada and two-thirds in the United States. At a rate of 9 cents a bushel from the Bay ports to New York, the Canadian roads would get 3 cents for 200 miles and the United States roads 6 cents for 400 miles. In hauling to St. John the Canadian Pacific gets 9 cents over the line of 837 miles and the Canadian National would get the same for the longer haul of 1,025 miles to the same port, or for a haul of 1,215 miles to Halifax.

With the completion of the new Welland Canal, now in progress, the large vessels of the upper lakes will be able to come to the eastern end of Lake Ontario. There they will have to transfer either to smaller vessels of canal size by which the grain will reach Montreal, or to clevators for storage and rail haul, as at the Georgian Bay ports. The Canadian transfer point may be Kingston, Brockville or Prescott, as it now is at Colborne on Lake Erie. But Oswego is on the United States side of Lake Ontario, opposite Kingston, situated as conveniently to the Canadian route as Buffalo is to Colborne. It is 100 miles nearer New York and Boston by rail than Buffalo. The new condition will not be materially different from the present, so far as the possibility of New York sharing in the export traffic in Canadian grain by way of the lake route is concerned.

Quebec as an Ocean Port

From Winnipeg, which is the most easterly grain assembling point on the prairies, the National line to Montreal, by way of Nakina, Capreol and North Bay is 1,357 miles. The Canadian Pacific by way of Fort William is 1,411 miles from Winnipeg to Montreal, and the Transcontinental to Quebec is 1,350 miles. From Montreal to Quebec the rail distance is 170 miles. Of the two St. Lawrence ports, Montreal has every facility for handling liner traffic. Having the advantage of the lake-and-canal and of the lake-and-rail haul as well, together with the all-rail haul and complete harbour facilities, it will always have abundance of wheat on hand to provide return cargoes for vessels bringing merchandise, whether liners or tramps. But for vessels seeking one way cargo, Quebec has important advantages over Montreal. It is a tidal port, with sufficient depth of water at all seasons to float any but the very largest ocean vessels. It is 165 miles nearer the open sea than Montreal, and therefore a vessel saves practically two days on the round trip by loading at Quebec. It is open both earlier and later than Montreal. In only three years between 1890 and 1926 inclusive was the last outward bound ocean sailing from Quebec earlier than December. The respective dates were November 24th, 25th and 27th. Of the twenty-three December dates, eight were between the 10th and the 21st, and twelve earlier than the tenth. In 1918 the last ocean sailing from Quebec was on January 11th. It is fair to say that the respective dates of the late sailings rather reflect the insurance than the navigation conditions. In the same years, of the first arrivals from the sea, twenty were in April, the dates ranging from the 15th to the 27th. The latest arrival in May was on the 5th, in 1923. There is a saving in pilotage charges from Quebec to Montreal and the insurance rate on outbound cargo is slightly less. All vessels to and from Montreal must pass Quebec, therefore whatever risks there are in St. Lawrence navigation are less to Quebec than to Montreal by that much.

The ocean distance from New York to Quebec is under 1,400 miles while the distance from New York to Liverpool is over 3,000 miles. Therefore a vessel which discharges a merchandise cargo at New York and is unable to get a return cargo there, would, under ordinary conditions, find it more profitable to make the 1,400 mile trip to Quebec light in order to get a cargo of grain to Europe than to make the more than 3,000 miles return trip to Liverpool or other European port without cargo. The marine insurance penalty against

Canadian ports on incoming vessels and on outgoing cargoes would of course to a considerable extent counterbalance the natural advantages of Quebec until they are removed or substantially decreased.

Quebec as a Forwarding Point

Quebec is favourably situated as a forwarding point for grain to the Maritime ports. By the National lines the rail distance from Quebec to St. John is 493 miles and to Halifax 660 miles. From Montreal to St. John by the National is 634 miles and to Halifax 842 miles. By the Canadian Pacific the rail distance from Montreal to St. John is 481 miles and to Halifax (using the National line from St. John) 760 miles. The Canadian Pacific system has no line of its own between St. John and Halifax. Quebec is therefore 100 miles nearer Halifax than by the shortest line from Montreal and only 12 miles further from St. John than by the Canadian Pacific short line across the State of Maine.

Although Quebec has the shortest rail haul from the prairies to the Atlantic seaboard and has special advantages for the handling of outgoing ocean traffic, the present rail rate of 20·7 cents a bushel on wheat from Fort William prevents grain from moving by that route. It is true that the rail rate to New York is 21·3 cents; but an all-rail rate of 21·3 cents to New York does not mean anything when the lake-and-rail rate is only 15·76 cents and when there is ample wheat in storage at Buffalo and ample shipping seeking wheat cargoes at New

York.

Quebec handled only three million bushels of wheat in 1926. All of this came by the lake-and-canal route through Montreal and was the largest volume shipped through Quebec in any season. All the grain of all the west could be carried through the Canadian canals to the St. Lawrence ports. The lake-and-canal rates to Montreal are over four cents a bushel lower than the lake-and-rail rates to the United States Atlantic ports, but not one-third of the total volume

of export grain takes the lake-and-canal route.

The advantages of the lake-and-rail route are evidently sufficient to overcome in large measure the cheaper rates of the lake-and-canal route. No doubt these advantages are chiefly in the shorter time required to move grain from the lake head to the ocean port by the lake-and-rail route. The difference is from a week to ten days; the lake-and-rail trip taking a week or under and the lake-and-canal two weeks or over. Owing to rapid and radical fluctuations in wheat prices in the world's markets, and to even more rapid and radical fluctuations in ocean rates of transportation, the prompt and certain movement of wheat from the point of production to the consuming market is in the highest degree important to all interests concerned. With the crop movement suspended by winter conditions on the lakes for from four to four and a half months of each year, the urgency of prompt and certain movement is greatly increased.

As lake-and-rail gives greater certainty and speed of grain movement than lake-and-canal, so all-rail gives still greater certainty and speed over lake-and-rail. It is reasonable to assume that if grain were forwarded all-rail direct from the producing areas to Quebec at rates truly competitive with those to New York, the more prompt and certain delivery thereby made possible would tend to balance in some degree the advantages now enjoyed by New York and thus tend

to swing so much of the Canadian traffic by the Canadian route.

The fact that during the crop year 1925-26 ever ten million bushels of wheat was moved eastward from the lake head by rail is evidence first that the long all-rail haul is practicable, and second that circumstances may be such as to make it profitable to shippers even at the present non-competitive rates.

A feature of the lake-and-canal haul that tends strongly to throw the grain traffic by way of Buffalo and New York is the fact that in the fall grain comes forward in its largest volume to Buffalo and the bay ports for several weeks

after the ocean movement from Montreal has become negligible. Vessels leaving Fort William can get insurance for the outbound trip up to December 12th. This lake insurance is good on eastbound cargoes until arrival at destination, up to say December 20th. Very little grain is loaded in Montreal after November 20th. Therefore, for the last month during the very peak of the movement on the lakes, the St. Lawrence outlet is in effect blocked, for if the grain does reach Montreal after November 20th, it must go into storage as it would have done at the bay ports or Buffalo.

All Rail to Quebec

Grain from the prairies reaches the navigation of the Great Lakes at Fort William over four railway tracks from Winnipeg. In the crop year 1925-26 this movement amounted to 264,000,000 bushels of wheat, 36,000,000 bushels of barley and 40,000,000 bushels of oats, with rye and flax besides. There is no such rapid movement of such a volume of grain to any other port in the world as that which occurs at the twin lake ports of Fort William and Port Arthur in the three months after harvest and before the close of navigation in each year.

There are three lines of railway from Winnipeg to Quebec. The evidence given by both railways was that their respective western equipments and organizations were fully employed during only one-third of the year while the grain movement was greatest between harvest and the close of navigation on the lakes; and that during the remaining two-thirds of the year two-thirds of their equipment was idle and their organization disrupted for lack of traffic.

The prairie grain producing area extends over 850 miles westward from Winnipeg or over 1,250 miles from Fort William. The average rail haul on the grain reaching Fort William is approximately 800 miles. Taking the several railway points 400 miles west of Winnipeg respectively as centres of the grain production, the average length of rail haul to Quebec would be 1,750 miles, as compared with present average haul of 800 miles to Fort William. The allrail haul from the prairies to Quebec would thus be 150 miles or one-fifth more than twice as far as the present rail haul to Fort William. Clearly the equipment that was able to haul 264 million bushels of wheat 800 miles, using it to capacity one-third of the year, must be adequate to haul less than half that amount (122 million bushels that went forward to United States ports), 950 miles further during the remaining two-thirds of the year.

There can be no question that Canada has ample railway equipment to forward her total grain crop to her own ports and does not need to divide either the traffic or the earnings with the railways or lake carriers of the United States. The only question is that of competitive rates, all-rail and lake-and-rail.

Rail Rates, Prairies to Quebec

It is an accepted principle in railway rate making that the longer haul pays the lower per mile rate. The distance from Winnipeg to Fort William is 420 miles and the wheat rate is 8·4 cents a bushel or two cents a bushel per 100 miles. From Moose Jaw the distance is 818 miles and the rate is 12 cents a bushel or slightly under 1½ cents a bushel per 100 miles. From Calgary the listance is 1,250 miles and the rate 15·6 cents a bushel, or practically 1¼ cents a bushel per 100 miles. These are the rates now actually paid on the grain actually moved. Therefore it may reasonably be assumed that for any haul over 1,250 miles, 1¼ cents a bushel per 100 miles is a fair proportionate rate. All grain eastbound from the prairies passes through Winnipeg. Therefore in comparing rates to the seaboard Winnipeg may properly be taken as a common point. From Winnipeg to Quebec is 1,350 miles. On the present Calgary-Fort

William basis, the rate from Winnipeg to Quebec would be $16\cdot875$ cents, or for ease in calculation say 17 cents per bushel. To get a proper comparison between the all-rail rate to Quebec and the lake-and-canal and lake-and-rail rates, it is necessary to add the rail rate Winnipeg-Fort William to the rates from Fort William to the seaboard. Allowing the minimum long haul rail rate for the distance from Winnipeg to Fort William, $5\frac{1}{4}$ cents a bushel would have to be added to the lake and rail rate from Fort William to New York, to get the rate properly comparable with the all-rail rate from Winnipeg to Quebec. On that caluclation the present rate from Winnipeg to New York is 21 cents per bushel. There would thus be a margin of four cents a bushel between the suggested all-rail rate to Quebec and the present lake-and-rail rate to New York.

Ocean rates vary greatly. In 1926 the ocean rates from Montreal to Liverpool ranged from 5.2 cents to 9 cents in May, and 8.2 cents to 9 cents in August to from 9 cents up to 24 cents in November. From St. John they ranged from 9 cents in January to 6.7 cents in March, 1926. These were practically liner rates. An addition of 4 cents a bushel saved from the inland haul should be sufficient to bring vessels seeking one way cargo to the port of Quebec, while the advantage of certain and speedy delivery from prairie points would be an

inducement to shippers to use that route.

Rail Rates to Maritime Ports

Quebec is a summer port with an average open season of seven and a half months. When Quebec is closed the alternative Canadian route is by way of the ports of St. John and Halifax. From Winnipeg the rail distance to St. John by way of the National Railway and the Quebec Bridge is 1,825 miles and to Halifax 1,990 miles. By way of Montreal the distance by the National lines is 1,980 miles to St. John and 2,145 to Halifax. By way of the Canadian Pacific through Montreal, the distance from Winnipeg to St. John is 1,892, and to Halifax (using the National lines from St. John), 2,170 miles. The all-rail route from Winnipeg by way of the Quebec Bridge to St. John, is 67 miles shorter and to Halifax 180 miles shorter than the shortest line by way of Montreal.

The continuation of the suggested Winnipeg-Quebec per mile rate to the Maritime Ports would give a rate of 22·75 cents a bushel to St. John and 24.875 cents to Halifax. As these rates would both be higher than the present 21 cent lake-and-rail rate Winnipeg to New York, they would not be effective in attracting traffic to the Canadian ports. Although Halifax is 550 miles and St. John 300 miles nearer Liverpool than New York, the trend of traffic to the greater port and the discriminatory marine insurance rates are more than sufficient to cancel the advantage of a somewhat shorter ocean voyage. If Canadian overseas traffic is to pass through Canadian seaports it must reach these ports by inland rates that will be actually competitive with those to United States ports. Therefore, the grain rates from Winnipeg to St. John and Halifax must be not more than the present New York rate of 21 cents a bushel.

A 21 cent rate from Winnipeg to St. John and Halifax to equal the present New York rate—would only leave a margin of four cents to pay for the rail haul from Quebec to the ocean ports. This would be substantially below the suggested per mile rate Winnipeg to Quebec, and would be a very low rate for a

one way haul.

But in case of a merchandise cargo arriving in winter at the port of St. John or Halifax for distribution throughout Canada by rail, it would be good business for the railways to bring empty trains from Montreal or Quebec to meet and transport that merchandise to its destination. Therefore it would be much better business to meet the merchandise at the winter port with a train

loaded with grain at even a three or four cent rate from Montreal or Quebec. For the empty train that would earn nothing would cost at least two-thirds as much to run as a fully loaded train of say 40 cars of wheat that at four cents a bushel would earn \$2,000 on the trip from Quebec or Montreal to the ocean port. If conditions were established so that shippers could get prompt and certain delivery of grain either from transfer storage at Quebec, or from primary shipping points on the prairies to St. John and Halifax at a rate that was in actual fact competitive with that to New York, there is every reason to believe that a much larger part, if not the whole of the winter merchandise traffic of Canada could be attracted to those ports.

During the year 1925-26 St. John attracted nearly 11 million bushels of wheat from the Bay ports against competitive rates from the same ports to Portland and Boston, and from Buffalo to New York, Philadelphia and Baltimore. This was possible because the wheat provided return cargo for vesselschiefly Canadian Pacific liners-bringing merchandise to St. John, during the

period while the St. Lawrence was closed.

A competitive all-rail service from the prairies direct throughout the winter would give such an advantage to shippers in meeting the fluctuations of the world market by actual delivery, that ocean vessels bringing merchandise to the Maritime ports could always be assured of return cargoes. If sufficient transfer storage, such as exists at Fort William, were provided at Quebec, grain could be moved forward all-rail to that storage at all seasons. During the period of closed navigation it could go into storage (as it now does at Fort William and Port Arthur) to await the opening of navigation on the short ocean haul; and if in storage there, it could be readily pushed forward to St. John and Halifax as required to give return cargo to vessels bringing merchandise to those ports.

An established movement of wheat through the Maritime ports would be the means of bringing merchandise cargoes. But wheat cannot and will not be routed by shippers through those ports unless the rates by which they are reached are in fact competitive with those to other ports. The export traffic in wheat is highly specialized and the difference of a fraction of a cent in transportation costs, if facilities are equal, is sufficient to divert shipments of wheat

from or to any certain route.

Avoiding Seasonal Break in Flow of Grain

It is of course obvious that the railways could not deliver the season's crop at Quebec within the same four months that they are able to deliver it at Fort William, because of the somewhat more than double length of haul. But if the rates to St. John and Halifax as well as to Quebec were effectively competitive with those to New York, there would be no reason why they should be required to do so. No doubt there will always be some rush of grain to the lake front n the fall. The domestic and export milling requirements of the central provinces can be supplied most cheaply by the lake route. The liners arriving at Montreal during the first months of the new crop movement, up to the close of St. Lawrence navigation, can as well or possibly better be given their return cargoes by that route. The pressure from the farms will always tend towards in early forward movement. It might be that during the peak of the fall rush o the lake front, there would not be sufficient equipment for the all-rail haul is well. But that condition could only continue for a short time. The grain hat leaves Fort William after say mid-October-or possibly even earlier-is ot expected to reach the seaboard for immediate consumption in Europe. eason for the rush in that case as already stated, is to get the wheat into storage ast of the lakes, so that it may go forward for consumption at the dealers' 62863-191

discretion during the winter. If there were competitive all-rail rates to open Canadian ports for the year round, it could just as well remain in the farmer's granary or in the country elevator during what is now the rush season, to go forward at any time during late fall and winter, or the following summer as the market conditions might seem to suggest. The element of "gamble" in regard to the third of the crop held west of the lakes by the freeze-up under present rate conditions, would thus be cut out to the vast benefit of all legitimate interests. The extra costs of rehandling and winter storage incident to present conditions would also be cut out and Canada would be on a level with other countries in getting her wheat to market, except for her long extra haul to the seaboard. That, of itself, is handicap enough, and demands that every other cost and difficulty, so far as possible, shall be eliminated. The national interest demands that the most important national export shall reach the consuming market under the most favourable conditions and at the lowest possible cost.

Canada has three lines of railway from the prairies to the St. Lawrence ports, two to St. John and one to Halifax. The three lines cost not less than 100 million dollars each. Neither of the three carries traffic approaching capacity at any period of the year. All are kept open to traffic at all seasons. It would seem to be elementary good business that the two-thirds of the western railway equipment now lying idle during two-thirds of the year should be employed in moving over the lines of railway not now being used to capacity, to Canadian ports, also largely idle, the Canadian wheat that now helps so largely to swell the business of United States railways and to bring ocean traffic to United States ports.

Track Conditions

It is no doubt a fact that the two through lines of the Canadian National from Winnipeg to Montreal and Quebec respectively, and from Quebec to St. John, with the one line from Moncton to Halifax are not at present conditioned to carry the heavy motive power which gives the maximum profit on long haul traffic as the lines westward from Fort William have been. But it would seem difficult to find good reasons for a policy that built two national lines of railway at a cost of 100 million dollars each and then allowed them to fall short of achieving the primary reason for their construction, for lack of being put in condition to economically carry the traffic that we ourselves have made available, but that is being carried by our neighbours and trade competitors. The gradients on both lines throughout are such as to admit of maximum haul provided the road bed is conditioned to carry modern heavy locomotives.

The main line of the National system is fully conditioned from Edmonton to Sioux Lookout at the junction of the branch to Fort William, and the Fort William branch is equally conditioned. From Sioux Lookout to Quebec direct, or by way of Nakina and Capreol to Montreal, is practically 1.100 miles. If it was good business to fully condition the track from Edmonton to Fort William, 1.250 miles, in order to hand the grain traffic over to the lake carriers there, it would surely be better business to fully condition the shorter mileage on the line from Sioux Lookout to Quebec, in order to retain as large a share of the haul as possible to the railway, and give a measure of service that is not practicable by the lake route. What is applicable to the line from Sioux Lookout to Quebec is equally applicable to the lines from Quebec to St. John and Halifax. If they are not in condition to carry heavy grain traffic they ought to be. For unless they are so conditioned the grain cannot be carried with profit at the rates that are necessary to bring it by that route. What had to be done between Calgary and Edmonton and Fort William, in the matter of track improvement must be done between Sioux Lookout and the St. Lawrence and Maritime ocean ports if equal results are to be achieved. Until the tracks are put in shape for heavy long haul traffic operation must show a much less satisfactory return than it otherwise would, but that is not a reason why operation at competitive rates should be delayed.

Earnings on all Rail Haul

As to railway carnings from the suggested all-rail routes: To give Quebec a differential over New York sufficient to bring tramps seeking one way cargo, or to give St. John and Halifax rates so equalized with New York that they would attract both liners and tramps for round trip business, would mean a rate at the present per mile minimum for the long haul to Fort William, so far as traffic to Quebec was concerned, and somewhat below that figure for the winter traffic beyond Quebec to St. John and Halifax. This would mean a somewhat lower rate per bushel per mile than the average now earned on the traffic to Fort William, but on the other hand it would mean a much larger gross earning on the number of bushels hauled than at present. It would in fact mean, if Canada were to retain the whole of her wheat traffic now passing by way of United States ports, that the traffic earnings now being paid to United States lake carriers and railroads would be paid to the Canadian railways and that they would have in addition the earnings on the increased merchandise traffic coming to Canadian ports, because of the export wheat directed to and through them. It is these resultant earnings on merchandise traffic that are the chief occasion of the intense rivalry for wheat traffic by United States railroads and seaports. A reduction of rates from the prairies to Canadian seaports would not affect the existing rates to Fort William on the traffic taking the lake route.

Idle Equipment Earns Nothing

The suggestion that the all-rail grain rate from Winnipeg to Quebec should be reduced to the level of that per mile from Calgary or Edmonton to Fort William was strongly opposed during the enquiry by both railway systems. It was freely admitted that a large proportion of Canada's grain was providing earnings for United States carriers, and aiding traffic through United States seaports, while from one half to two thirds of western Canadian railway equipment was idle and railway organization disrupted for lack of traffic during seven to eight months of each year. No suggestion was offered as to the improvement for Canada of present conditions by way of the lakes. But it was asserted, first, that grain could not be carried profitably at the rate mentioned, and, second that if the rates were reduced on the Transcontinental from Winnipeg to Quebec, United States railroads would make corresponding reductions which would cause losses to the Canadian railways in respect of their present traffic and leave the Canadian ports no better off in regard to overseas traffic than they are to-day.

As to the measure of profit on the present long haul grain rates: The annual statements of both railways are evidence that the grain traffic as a whole is their most important source of net revenue. This could not be if the large volume that takes the long haul and therefore the low rate were carried at an actual loss. It is of course a fact that the rate on a ton of wheat does not carry the same share of the gross overhead of the railway as a ton of first class merchandise. But it does carry some share of that gross overhead. There are not known tons of merchandise to carry the total overhead. But there are so many more tons of grain taking the long haul than of merchandise, that the part of the overhead carried by each ton of grain possibly in the total makes up a larger part of the overhead than is provided by the lesser total of merchandise tonnage at he higher rate. In any case it is a part of the total earnings which is necessary oppoduce the net profit.

Of course the higher the rate paid by the grain, the greater the share of the overhead which it carries. But if the rates, or other traffic conditions are such that production cost or market price will not permit the grain to pay that rate, the grain does not move. The wheels do not turn. There are no earnings. The men are not employed. There is no contribution to the gross overhead. That is the position of the railroads of Canada in respect of the 122 million bushels of Canadian wheat shipped overseas through United States ports between July 31, 1925, and August 1, 1926, upon which United States lake carriers and United States railroads earned a gross amount of fifteen million dollars.

United States Retaliation

As to the possibility of United States railroads reducing their grain rates following a reduction over the Transcontinental from Winnipeg to Quebec. Having secured the flow of the bulk of Canada's export grain eastbound through United States ports and over United States railways, it can only be expected that determined efforts will be made by United States interests to hold the traffic that they now enjoy. Whether their endeavour will take the form of competitive or retaliatory rates—or some other form—Canada must be prepared to accept the situation. The alternative is to give up her own traffic in her own product after having spent several hundred million dollars in canals and railways for the purpose of holding that very traffic. Whatever measures are taken by the United States carriers to retain their present hold on the Canadian grain traffic must be accepted as evidence of the value of the traffic to them and therefore at least equally to Canadian interests.

If the New York rate were substantially lowered it would become necessary to correspondingly further lower the Winnipeg-Quebec and Maritime port rate. There is no doubt that the United States railways find the present rail rate from Buffalo to New York very profitable and that they could afford to cut it substantially without losing money. But if they knew that any cut they made would be followed by an equal cut in the rate to Quebec, they might think it wise not to make any rate cut, and be satisfied with the share of the traffic that because of certain favouring conditions will come to them in any case while retaining present rates. As already stated, a fair measure of competition in grain transportation is desirable. But Canada's eastbound grain traffic which at one time was the subject of United States competition, has now become too largely subject to United States domination for Canada's good, either nationally or as

a mere matter of plain business.

Conditions of Railway Employment

There can be no doubt that the present system of rushing to get as much as possible of the prairie wheat crop across the lakes in the fall is essentially uneconomical. In order to meet the rush, the railways have to make an investment in motive power and rolling stock three times greater than would otherwise be required to forward grain to the lake front. Interest on cost and loss from depreciation must be provided for by the year—not by the period of useful service. But the most serious disability imposed upon the railways by the present seasonal character of the grain traffic is in the annual disorganization of their working forces. Wages can only be paid out of earnings. Where there are no earnings there can be no wages. Consequently the organization that is built up each year to take care of the peak movement, is pulled down and scattered as soon as the peak is passed. Railway labour necessary in the movement of traffic must be highly paid. The railway man's calling demands the best that is in the best men. Measurably continuous employment is a first necessity in building

up and maintaining an efficient organization of such men. Under present conditions that is something the railways cannot offer to the men specially engaged for the peak movement. Consequently they must either pay higher than normal wages or accept the services of less efficient men while the movement is on. To equalize the grain movement throughout the year instead of concentrating two-thirds of it within less than four months would seem to be in the best interests of both the railways and their employees. The cash annually paid out to United States lake and rail carriers of Canadian grain would mean a great deal to Canada if paid throughout the year to Canadian railways; as it must be if the grain goes overseas through Canadian seaports in winter as well as in summer.

The Case Shortly Stated

A short restatement of the situation regarding the export of Canadian grain by Canadian Atlantic ports may be given as follows:—

(1) Canada has three routes from the prairies to the Atlantic:-

(a) Lake-and-Canal;

(b) Lake-and-Rail;

(c) All-Rail.

(2) As water haul under ordinary conditions is fundamentally cheaper than rail haul, the lake-and-canal and lake-and-rail routes are used and the all-rail route ignored.

(3) The United States lake-and-rail route by way of Buffalo to New York, Philadelphia and Baltimore competes effectively with the Canadian lake-and-canal and lake-and-rail route to Montreal.

(4) The immensely greater number of ocean vessels bringing merchandise from Europe to United States Atlantic ports than to Montreal creates a proportionately greater demand for grain as return cargo at these ports than at Montreal.

(5) Ocean rates fluctuate with traffic conditions. There being greater demand for return grain cargoes at New York than at Montreal, ocean rates are lower and the advantage of Montreal in the lower rates by the lake-and-canal and lake-and-rail routes is thereby cancelled.

(6) Canada has a greater tonnage of export wheat than of import merchandise. The excess of wheat over merchandise tonnage takes the New York route, because by doing so it gets a return ocean rate.

(7) The all-rail rates from the prairies to the seaboard are maintained at a level that excludes the grain traffic from the railways and therefore excludes it from the Canadian Atlantic ports beyond Montreal, which must depend upon railway service to share in that traffic.

(8) The lake-and-canal and lake-and-rail routes are subject to certain disadvantages as compared with all-rail:—

(a) In the short period between the commencement of grain delivery after harvest and the close of navigation on the St. Lawrence, the slower movement by lake and rail in large measure cancels the advantage of lower rates.

(b) The transfer, storage and incidental charges by lake-and-rail bring the total cost from prairie to seaport up to the level of a fair long-haul all-rail rate.

(c) Lake navigation is closed for from four to four and a half months during the year.
(d) Because of closed navigation on the lakes, there is a rush to get the grain across in the fall which adds to the actual cost and introduces an extra speculative element.

(e) Grain that does not get across the lakes in the fall is held out of world consumption for the winter and may miss the best market. In any case it meets the competition of new Australian and Argentine wheat during the following summer.

(9) The same per mile rail-rate that Alberta grain now pays for the haul to Fort William would give a total cost of haul to Quebec substantially below the present lake-and-rail cost to New York.

(10) With Quebec's advantages as an ocean port that margin might be expected to be

sufficient to attract vessels seeking one-way cargo.

(11) Grain could be stored at Quebec during the season of closed navigation as it now is at Fort William, the railways getting the haul that now goes to United States lake and rail carriers.

(12) Grain in store at Quebec could be readily forwarded to St. John or Halifax as required to give return cargoes of grain to vessels bringing merchandise to those ports.

(13) By using the rail haul from the prairies to the St. Lawrence ports in summer and the Maritime ports in winter, the railways would earn the money that is now paid to

United States vessels and railways; Canadian producers would be in reach of the world's markets throughout the year; the rush and congestion that now occurs in the fall season would be avoided; the producer would save paying for winter storage until he desired to sell: the railways could give continuous employment to their operating men, and while their profit on the haul per bushel would be less, their gross earnings would be greater and

probably their net profit as well.

probably their net profit as well.

(14) Of the 4½ million tons of grain which left Canada at Fort William in the past crop season to be carried overseas through United States seaports, Canadian railways had hauled it an average distance of over 800 miles. United States carriers earned over 15 million dollars in taking it from Fort William to the seaboard. The question is,—Can the railways which hauled the grain to Fort William afford to haul it 950 miles further for that amount of money? If not, Canada has several hundred million dollars worth of railways on hand that are not fulfilling the purpose for which they were built. But if they can, and do, Canada, the greatest export producer of the commodity in greatest and most assured world demand, will have a leverage in world trade that should be of immense benefit to the country as a whole, as well as to the seaports, railways and farmers immediately concerned.

Under the directing Orders in Council of June 5, 1925 (P.C. 886), and January 7, 1926 (P.C. 24), I beg to recommend:-

(1) That a through rate on grain and grain products be established from all prairie (1) That a through rate on grain and grain products be established from all prairie points to Montreal and Quebec, made up as follows: .0208 of a cent per 100 pounds per mile to Winnipeg and 28 cents per 100 pounds from Winnipeg to Montreal and Quebec (equal to 1\frac{1}{4} cents a bushel per 100 miles).

(2) That a through rate be established from prairie points to St. John and Halifax made up of .0208 of a cent per 100 pounds per mile to Winnipeg and 34 cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from Winnipeg to St. John; or 34\frac{1}{2} cents per 100 pounds from

(3) That from Quebec and Montreal a rate be established of 6 cents per 100 pounds to St. John or 6½ cents per 100 pounds to Halifax. This rate to include transfer charges at Quebec or Montreal.

IV

REASONS FOR DISSENT FROM SECTIONS 1, 2 AND 4 OF ORDER 448

The conclusions above expressed were arrived at before Order No. 448 came before the Board for consideration. As the terms of the Order do not conform to these conclusions in so far as sections 1, 2 and 4 are concerned, I was therefore debarred from formally assenting to sections 3 and 5 of which

I found myself able to approve.

Now that the considered opinion of the majority of the Board has been expressed in the terms of the Order, it appears to me desirable that there should be as full an understanding as possible, of the conditions so created. As the only member of the Board having intimate personal knowledge of the conditions affected by Sections 1 and 2 of the Order, I take the responsibility of stating those conditions as I understand them.

Grain Rates, Prairies to Fort William

Section I assumes to give effect to the Act of Parliament of June, 1925. amending the Railway Act, which stated that in adjusting eastbound grain rates from the prairies to Fort William in conformity with the agreement made under the Crow's Nest Act:

The Board shall not excuse any charge of unjust discrimination, whether practised against shippers, consignees or localities, or of undue or unreasonable preference respecting rates on grain and flour governed by the provisions of Chapter 5 of the Statutes of Canada, 1897, and by the Agreement made or entered into pursuant thereto, within the territory in the immediately preceding subsection referred to, on the ground that such discrimina-tion or preference is justified or required by the said Act, or by the Agreement made or entered into purusuant thereto.

It has been admitted that the grouping of stations as to rates on the C.P.R. main line constitutes discrimination in fact. As the groups stand to-day, confirmed by the Board's Order No. 448 it is estimated that the railway is able to

collect from certain of the producers along and in the neighbourhood of its main line contrary to the intent of the Act, sums amounting to upwards of halfa-million dollars in each season of good crop, while other producers similarly situated as to railway service, but differently situated as to rate groups, are served at the proper rate.

I take the view that in assuming to give effect to the intent of Parliament it is the duty of the Board, and within its power to remove these discriminations by equalizing the rate groups, although that would reduce the earnings

of the railway.

By the terms of the Board's order, the discriminations existing on the Canadian Pacific Railway main line are expressly extending to all Canadian Pacific branch lines,—necessarily producing like discriminations on the branches as on the main line.

Affecting lines of the National Railway the Order says,—" All other railway companies adjust their rates on grain and flour to Fort William, Port Arthur, Westport and Armstrong to the rates so put into effect by the Canadian Pacific Railway Company." While it is true that this part of the Order can fairly be read to require that the rates on all National lines shall conform to the rates on the C.P.R. main line (including present discriminations), it can also be read to permit the Canadian National to adjust the rates over its shorter lines in accordance with the longer mileage on C.P.R. branch lines. As the latter reading will give the higher rate, in all cases that will give that result it can only be expected that the railway will read it in that way. In such cases the producers affected will of course fail to receive the benefit of what I understand to be the direction of Parliament to the Board.

Section 1 of Order 448 purports to repeat the Board's Order of July 8, 1925 (which was ignored by the railways). In so far as Order 448 is complied with, in some degree and in some cases there will be reductions of grain rates eastbound; but for the reasons above stated, I am unable to consider Section 1 of the Board's Order 448, as conforming to the terms of the Act of 1925, or of the Railway Act itself, or as granting the measure of relief in rates to Western grain

growers contemplated by the Act of 1925.

Grain and Other Rates, the Prairies to Vancouver

By section 2 of General Order 448, the Board confirms the Canadian Pacific Railway in its defiance of the Board's Order of September 2, 1925, by which the railways were required to reduce their export rates westbound to Vancouver, to the level of rates eastbound to Fort William. By the finding expressed in section 2 prairie producers served by the Canadian Pacific Railway main line and tributary branches to Vancouver, must pay the same charge for the haulage of their grain 642 miles, that producers served by the C.N.R. main line and tributary branches pay for their haulage of 766 miles to the same port. The grain producers served by the C.P.R. main line and branches are thereby subjected to a discriminatory rate of 2 cents per 100 pounds, as compared with producers on the Canadian National Railways main line and tributary branches.

The Order in Council under which the General Rates Enquiry was held, declared the purpose to be the establishment of rates that would "permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade both foreign and lomestic." Besides export grain rates from the prairies to Pacific ports, there also came within the scope of the above direction consideration of the domestic ates on grain and flour from the prairies to British Columbia, and the rates on nerchandise moving in either direction between Alberta and British Columbia.

Objection was taken by the representatives of the two provinces chiefly concerned to the domestic grain rate of 41½ cents per 100 pounds from Calgary and Edmonton to Vancouver, as being excessive in comparison with the present export rate of 21 cents per 100 pounds from the same points to Vancouver. Objection was also taken to the "Mountain Differential," whereby class rates on merchandise moving over either railway system pays on an excess mileage of 11 to 1 on 524 miles of the C.P.R. and on 642 miles of the C.N.R. main lines. The effect of Order 448 is to confirm these discriminations.

The Order for the General Rates Enquiry (P.C. 886), dated June 5, 1925, directs the attention of the Board to three particular matters, of which the fol-

lowing are the first and last,-

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled

to the restoration of the rate basis which they enjoyed prior to 1919.

(c) The increased traffic castward and westward through Pacific Coast ports, owing to the expansion of trade with the Orient, and to the transportation of products through the Panama Canal.

In regard to the subject mentioned in paragraph (a); after several months had passed, the matter was taken out of the hands of the Railway Board and placed in those of a Special Commission which duly investigated and reported. Upon the Commission's report Parliament took action during its recent session. and cut internal and outgoing Maritime Province rail rates 20 per cent below the rates then existing; with the provision that whatever loss was incurred by

the railways would be paid out of the national treasury.

Up to 1919 rail rates in the Maritime Provinces had been below the average in the rest of Canada. The railway returns showed a loss. It was assumed that if the rates were levelled up the loss would disappear. This was done. The result was a general disarrangement of business conditions in the Maritime Provinces, which again necessarily resulted in increased losses to the railways. The legislation of last session was an endeavour to repair the damage that had been done by the rate increases of 1919.

Section (c) of the specific instructions to the Board, relates especially to the two most westerly provinces. The rates there are admittedly higher for caual service than anywhere else in the Dominion. The Board was expressly permitted (not instructed) by the Order, to level down these admittedly higher

The majority have declined to do so.

In the result it appears that equality of rates as expressed in the Order in Council, is understood by the majority of the Board to mean that rates from approximately 15 to 100 per cent above normal in the two most westerly provinces should be stabilized at that level as a measure of equalization, while in the three most easterly provinces Parliament has found it necessary to level down rates to 20 per cent below normal.

Considering these facts I am compelled to take the view that Section 2 of the Board's Order 448 is rather a defiance of than a compliance with the Order in Council (P.C. 886) under which the general freight rates enquiry was held.

Grain Rates, Bay Ports to Quebec

Section 5 of the Board's Order 448 places Quebec on the same export rate level as Montreal as to grain from Georgian bay ports, and merchandise from Toronto and points west. Although the rail haul is 170 miles farther to Quebec than to Montreal I consider this a proper application of the principle of blanketing rates to competitive ports of export, as in the case of the present grain rates from Bay ports to Boston, 679 miles; Portland, 677 miles; St. John, 1,025 miles and Halifax, 1.215 miles by C.N.R., or to Boston, 709 miles; or West St. John, 837 miles by C.P.R. The rate is 15.17 cents per 100 pounds in all these cases and was also the rate to Quebec; while the rates from Bay ports to Montreal 339 miles, was 14.34 cents per 100 pounds. This will now also be the rate to Quebec, 510 miles.

Grain Rates, Fort William to Quebec

Section 4 of Order 448 reduces the all-rail rate, Fort William and Armstrong to Montreal and Quebec, from $34\frac{1}{2}$ cents per 100 pounds on wheat, and 33 cents per 100 pounds on other grain, to 18.34 cents per 100 pounds on all grain to Quebec, only. While I entirely approve of the reduction ordered in the rate to Quebec, I am unable to see how that reduction made to Quebec, only, does not constitute discrimination against Montreal, as expressly prohibited by the Railway Act; as the rail distance is practically the same by the National lines from Fort William and Armstrong to both Montreal and Quebec. If it is proper—as I believe it to be-to blanket Quebec with Montreal in regard to rates on export grain from the foot of the lakes, although the rail haul is 170 miles farther, I cannot agree that Montreal should be excluded from the reduced all-rail rate from the head of the lakes to Quebec. The railway from Quebec to Winnipeg was built in fulfilment of a definite national policy. It may well be that in order to give due effect to that policy it should carry export grain at exceptionally low and therefore discriminatory rates, but having regard to the terms of the Act which authorizes the existence and defines the duties and powers of the Board, and further having regard to the terms of the Order in Council under which the General Freight rates enquiry was held, I am compelled to believe that the establishment of such discrimination in rates as that provided in section 4 of Board Order 448 is a responsibility of Parliament, and is not within the present powers of this Board. As I understand the matter, the Board has power to prevent, but has not been given the power to create discrimination in railway rates.

Grain Rates to Maritime Ports

Section (\overline{b}) of the special instructions contained in P.C. 886 directs the Board to establish fair and reasonable rates that will have regard to,

(b) The encouragement of the movement of traffic through Canadian ports.

By a further Order in Council (P.C. 24), dated January 7, 1926, the Board was directed,

Especially to inquire into the causes of Canadian grain and other products being routed or diverted to other than Canadian ports, and to take such effective action under the Railway Act, 1919, as the Board of Railway Commissioners for Canada may deem necessary to ensure, as far as possible, the routing of Canadian grain and other products through Canadian ports.

I assume that in reducing grain rates from Armstrong to Quebec, as provided in Section 4 of Order 448, the majority of the Board sought authorization for that action in the specific and emphatic references to the routing of grain and other products through Canadian ports as above quoted from the two Orders in Council, P.C. 886 and P.C. 24. If these Orders are to be accepted as meaning what they plainly say, they are intended to apply to St. John and Halifax, as well as to Quebec, and cannot be excluded from application to Montreal. To take action under their authority in regard to Quebec and to fail to do so in regard to St. John and Halifax is in my opinion, to disregard their evident intent, and to fall very far short of creating a condition that can reasonably be expected to achieve the purpose expressed in the directing orders.

Traffic moves to and from Canada through United States ports the year around. The St. Lawrence is closed to ocean traffic during four and a half nonths of each year. During that period ocean borne traffic to and from Eastern Canada must pass through United States ports so far as Quebec and Montreal are concerned. To reduce rates on grain from the prairies to Quebec an only materially alter the situation if rates that will effectively compete with the lake and rail route to New York are carried through to St. John and Haliax. Order 448 makes no change in the rates to St. John and Halifax hitherto

prevailing. Therefore those ports are as securely locked against Canadian grain traffic as before the Quebec rate was reduced, or as they were when Orders P.C. 886 and P.C. 24 were issued. The fact that wheat can reach Quebec from Fort William at 11 (eleven) cents per bushel means nothing during more than one-third of each year, if it is not able to reach St. John and Halifax at a rate that is effectively competitive with the gross rate from Fort William to New York of approximately 15 cents a bushel. The establishment of a rate competitive with New York to St. John and Halifax is clearly within the powers of the Board.

Therefore, in my opinion, the establishment of an 11 cent rate to Quebec is not even an approximate fulfillment of the directions expressly given in the Order in Council of January 7, 1926.

GENERAL ORDER No. 448

In the matter of the Order in Council, P.C. No. 886, of June 5, 1925, requiring the Board of Railway Commissioners for Canada to make a full and complete investigation into the whole subject of railway freight rates in the Dominion of Canada.

File No. 34123

FRIDAY, the 26th day of August, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner. C. Lawrence, Commissioner. Hon. Frank Oliver, Commissioner.

Whereas by Order in Council, P.C. No. 886, dated the 5th day of June, 1925, this Board was directed to make a thorough investigation into the rate structures of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable rate structure which will in substantially similar circumstances and conditions be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion, and the expansion of its trade, both foreign and domestic, having due regard to,—

- (a) the claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate basis which they enjoyed prior to 1919;
- (b) the encouragement of the movement of traffic through Canadian ports;
- (c) the increased traffic westward and eastward through Pacific Coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama Canal.

And whereas by Order in Council, P.C. 24, dated the 7th day of January, 1926, the Board was directed, as a part of the general rate investigation above referred to, especially to inquire into the causes of Canadian grain and other products being routed or diverted to other than Canadian ports, and to take such effective action under the Railway Act, 1919, as the Board may deem necessary to ensure, as far as possible, the routing of Canadian grain and other products through Canadian ports.

Upon hearing the matter at the sittings of the Board held in Ottawa, Montreal, Windsor, Toronto, Moncton, St. John, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Kelowna, Vernon, Kamloops, Vancouver, New Westminster, Chilliwack, Victoria, and Prince Rupert, in the presence of counsel and representatives of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and the Maritime Provinces, and the Canadian Pacific and Canadian National Railway Companies, the following among other associations and Boards of Trade were represented at various sittings of the Board or submitted their representations in writing, namely: The Boards of Trade of New Westminster, Prince Rupert, Chilliwack and district, Kamloops, Calgary, Moose Jaw, Saskatoon, Prince Albert, Estevan, Regina, Brandon, Yorkton, Winnipeg, Toronto; Ontario Associated Boards of Trade, Cochrane, Montreal, St. John, Halifax, Charlottetown, Moncton and Sydney; the Victoria Chamber of Commerce, Western Canada Fruit and Produce Exchange, Canadian Council of Agriculture, Retail Merchants' Association, Canadian Manufacturers' Association, Hamilton Chamber of Commerce, Canadian National Millers' Association, Canadian Lumbermen's Association, National Dairy Council of Canada, Fruit Branch, Department of Agriculture of Canada, Livestock Producers of Canada, Live Stock Exchange of Toronto, Quebec Harbour Commissioners; Chamber of Commerce, Joliette, Quebec; Canadian Pulp and Paper Association and Canadian Freight Association.

The Board orders as follows, namely:-

- 1. That the rates on grain and flour from all points on Canadian Pacific branch lines west of Fort William to Fort William, Port Arthur and Westfort be equalized to the present Canadian Pacific main line basis of rates of equivalent mileage groupings (the rates governed by the Crowsnest Pass agreement not to be exceeded): that the Canadian Pacific Railway Company publish rates in accordance with the above direction, and that all other railway companies adjust their rates on grain and flour to Fort William, Port Arthur, Westfort, and Armstrong to the rates so put into effect by the Canadian Pacific Railway Company, such changes to become effective on the twelfth day of September, 1927.
- 2. That the rates on grain and flour from prairie points to Vancouver and Prince Rupert for export shall be on the same basis as the rates to Fort William, but in computing such rates, the distance from Calgary to Vancouver via the Canadian Pacific Railway shall be assumed to be the same as from Edmonton to Vancouver via the Canadian National Railway, namely, 766 miles.
- 3. That the provisions as to distributing tariffs, set out in section XVII of the judgment in the Western Rates Case, shall, instead of being limited to the Canadian Pacific Railway, as provided therein, be extended so as to apply to the Canadian National Railway as well; the necessary amending tariffs to be effective on the twelfth day of September, 1927.
- 4. That the rate of $34\frac{1}{2}$ cents per 100 pounds on wheat and 33 cents per 100 pounds on other grain for export from Port Arthur, Fort William, Westfort, and Armstrong, Ont., to Quebec as shown in Supplement No. 32 to Canadian National Railway Tariff C.R.C. No. E-447 be, and they are hereby disallowed; and the Canadian National Railway Company is hereby directed to publish and file in substitution thereof a tariff showing a rate of 18.34 cents per 100 pounds on all grain for export from Port Arthur, Fort William, Westfort, and Armstrong, Ont., to Quebec. Such changes to become effective on or before, but not later than, the twelfth day of September, 1927.

5. The Board further orders that all railway companies subject to its jurisdiction be, and they are hereby required to publish and file tariffs showing the same rate to Quebec as to Montreal on,—

(a) Grain from bay ports for export;

(b) All traffic from Toronto and points west thereof for export. Such changes to become effective on or before, but not later than the twelfth day of September, 1927.

H. A. McKEOWN,

Chief Commissioner.

APPENDIX

I

Certified copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 5th June, 1925.

P.C. 886

The committee of the Privy Council have had under consideration the final disposition of the petition to the Governor in Council of the Governments of the provinces of Alberta, Saskatchewan and Manitoba by way of appeal from a General Order No. 408 of the Board of Railway Commissioners for Canada (hereinafter referred to as the "Board"), dated the 14th day of October, 1924, under which certain tariffs of the Canadian Pacific Railway Company and Canadian National Railways were disallowed and required to be withdrawn from operation.

In and by the said petition the petitioners seek to have the above-mentioned general order of the Board rescinded and further to have the discrimination which would be created by the reinstatement of the tariffs disallowed by the Board removed by lowering other rates to the level of the rates in effect on Crowsnest commodities, so-called, prior to the effective date of the said order.

Upon the hearing it appeared that the petitioners had appealed to the Supreme Court of Canada to have determined certain questions of law and jurisdiction of the Board arising in connection with the Board's general order above mentioned. The committee, being of the opinion that, whatever the power of council might be in the premises, it was essential that it should be advised as to the exact situation in reference to these questions of law and jurisdiction before finally disposing of this matter, and that the operation of the said general order of the Board should be postponed pending the outcome of the said appeal to the Supreme Court, recommended in part that the said general order of the Board be varied so as to provide that the tariffs therein referred to should again become operative and remain in effect until further order of the Board following the decision of the Supreme Court of Canada on the said appeal to it. Effect was given to this recommendation by the issue of Order in Council (P.C. 2220) dated the 25th day of December, 1924.

It appears that the Supreme Court of Canada, after argument in which were heard not only counsel for the present petitioners and the railway companies interested, but also counsel for the province of British Columbia, the Maritime Provinces, the cities of Edmonton, Alberta, and Saskatoon, Saskatchewan, and Brantford, Ontario, and after reserving judgment, directed that the

questions submitted to it be answered as follows:-

Question 1. Whether, as a matter of law, the Board is empowered, under the jurisdiction conferred upon it by the Railway Act, or otherwise, to authorize railway rates upon the railway of the Canadian Pacific Railway Company

in excess of the maximum rates referred to in the Crow's Nest Pass Act, being chapter 5, 60-61 Victoria, Statutes of Canada, and in the Agreement therein referred to, upon the commodities therein mentioned.

Answer, No.

- Question 2. If the court shall be of the opinion that the Crow's Nest Pass Act or Agreement is binding upon the Board of Railway Commissioners for Canada, then, according to the construction of the Crow's Nest Pass Act, section 1, clause (d), and the Agreement made thereunder,
 - (a) 1. Are the rates therein provided applicable to traffic westbound from Fort William and from all points east of Fort William now on the Canadian Pacific Railway Company's railway?

Answer. No.

(a) 2. Are such rates confined to westbound traffic originating at Fort William and at such points east of Fort William as were, at the date of the passing of the Act and (or) the making of the Agreement, on the company's line of railway?

Answer. Yes.

- (b) Are such rates applicable to traffic originating at points east of Fort William which were, at the date of the passing of the Act and (or) the making of the agreement, on any line of railway owned or leased by or operated on account of the Canadian Pacific Railway?
- Answer. In order that the traffic provided for by clause (d) should fall under that clause it must originate at Fort William or some point east thereof which at the date of the agreement was "on the company's railway?"
 - (c) Are the rates therein provided applicable to traffic destined to points west of Fort William which are now on the Canadian Pacific Railway Company's railway, or on any line of railway owned or leased by or operated on account of the Canadian Pacific Railway Company?
- Answer. In order that the rates prescribed in clause (d) should apply the destination of traffic otherwise within that clause must be a point which was, at the date of the Agreement, "on the company's main line or on (some) line of railway throughout Canada owned or leased by or operated on account of the company."
 - (d) Are such rates confined to traffic destined to points west of Fort William which were, at the date of the passing of the Act or the making of the Agreement, on the Canadian Pacific Railway Company's railway, or on any line of railway owned or leased by or operated on account of the Canadian Pacific Railway Company?

Yes. Answer.

Question 3. Whether, as a matter of law, the Board is empowered, under the jurisdiction conferred upon it by the Railway Act, or otherwise, to authorize rates upon the Canadian Pacific Railway on grain and flour from all points on the main line, branches or connections of the company west of Fort William, to Fort William and Port Arthur, and all points east beyond the maximum rates specified in the Crow's Nest Pass Act and Agreement, and referred to, in chapter 41, Statutes of Canada (1922).

Inswer. No.

Upon the hearing before Your Excellency in Council it appeared that the e-establishment of the rates provided for in the Crowsnest Pass Agreement pon the limited list of commodities and between the points specified therein had brought about considerable variations in the rates applicable thereto prior to the 7th day of July, 1924, and it was urged on behalf of a large section of the Dominion, and in particular by counsel for the cities of Edmonton, Alberta, and Saskatoon, Saskatchewan, and the Maritime Provinces, as well as representatives of responsible trade organizations in the provinces of Ontario and Quebec that the establishment of these rates would disrupt the rate structure built up under the control of the Board since its creation, with consequent serious injury to trade relationships throughout the Dominion.

It was also urged that sources of supply had changed since the Agreement was made and that certain commodities which were formerly shipped in large quantities from Eastern Canada to the Prairie Provinces are now largely supplied either by local industries or from British Columbia, which latter province, it was alleged, would be cut off from a large part of its natural market by the

permanent restoration of the Crowsnest rates.

It was further urged that the continuance of the Crowsnest rates (so-called) would compel the Canadian National Railways to make similar reductions from all competitive points, and thus involve a serious loss in revenue to them which would have to be made up from other Government sources and further postpone the time when it would be possible to make any general rate readjustment or to solve satisfactorily the problem of the National Railways.

The committee observe that the agreement in question was made at a time when the Canadian Pacific Railway Company was the only company having a through line of railway extending through the Prairie Provinces and British Columbia, and before the creation of the Board for the control of railway rates under the provisions of the Railway Act of 1903 and subsequent Acts; and further, that the underlying purpose of the rate control inaugurated by the Railway Act of 1903 was to do away as far as possible with all unjust discriminations and undue preferences, and to secure a fair and reasonable rate structure, which, under substantially similar circumstances and conditions would be equal in its application to all persons and localities.

The committee are of the opinion that the policy of equalization of freight rates should be recognized to the fullest possible extent as being the only means of dealing equitably with all parts of Canada, and as being the method best calculated to facilitate the interchange of commodities between the various portions of the Dominion, as well as the encouragement of industry and agriculture

and the development of export trade.

The committee are further of the opinion that to give effect to this policy, and considering the submissions made by counsel and important trade organizations representing different provinces and localities in the Dominion as to the disadvantages that would be suffered by such provinces and localities by any partial or incomplete consideration of the freight rate structure, a thorough and complete investigation of the whole subject of railway freight rates in the Dominion should be carried out by the Board of Railway Commissioners, the body constituted by Parliament with full powers under statute to fix and control railway rates.

The committee are further of the opinion that as the production and export of grain and flour forms one of the chief assets of the Dominion, and in order to encourage the further development of the great grain growing provinces of the West, on which development the future of Canada in large measure depends, it is desirable that the maximum cost of the transportation of these products should be determined and known, and therefore are of opinion that the maximum established for rates on grain and flour, as at present in force under the

Crowsnest Pass Agreement, should not be exceeded.

The committee are further of the opinion that, before such investigation is undertaken, it is essential to ensure that the provisions of the Railway Act in

reference to tariffs and tolls, and the jurisdiction of the Board thereunder, be unfettered by any limitations other than the provisions as to grain and flour hereinbefore mentioned.

The committee therefore advise that the Board be directed to make a thorough investigation of the rate structures of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable rate structure, which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade, both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and in particular to:-

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate basis which they enjoyed prior

(b) The encouragement of the movement of traffic through Canadian ports:

(c) The increased traffic westward and eastward through Pacific coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama canal.

The committee further advise that legislation be introduced at the present session of Parliament, making it clear that the provisions of the Railway Act of 1919 in respect of tariffs and tolls shall, save in the particular above mentioned, be operative notwithstanding any special Acts or agreements and removing all doubts as to the validity of tariffs heretofore filed.

The committee submit the same for Your Excellency's approval.

(Sgd.) E. J. LEMAIRE. Clerk of the Privy Council.

H

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

NOTICE TO THE PUBLIC

In compliance with the instructions to this Board contained in Order in Council P.C. 886, dated June 5, 1925, by which the Committee of the Privy Council made final disposition of the petition to the Governor in Council of the Governments of the provinces of Alberta, Saskatchewan and Manitoba, by way of appeal from General Order No. 408 of the Board of Railway Commissioners for Canada, which Order in Council, among other things, recites that,-

The Committee are of the opinion that the policy of equalization of freight rates should be recognized to the fullest possible extent as being the only means of dealing equitably with all parts of Canada, and as being the best calculated to facilitate the interchange of commodities between the various portions of the Dominion, as well as the encouragement of industry and agriculture and the development of export trade.

The committee are further of the opinion that to give effect to this policy, and considering the submissions made has convenient trade.

sidering the submissions made by counsel and important trade organizations representing different provinces and localities in the Dominion as to the disadvantages that would be suffered by such provinces and localities by any partial or incomplete consideration of the freight rate structure, a thorough and complete investigation of the whole subject of railway freight rates in the Dominion should be carried out by the Board of Railway Commissioners, the body constituted by Parliament with full powers under statute to fix and control railway rates.

The committee are further of the opinion that as the production and export of grain and flour forms one of the chief assets of the Dominion, and in order to encourage the

and flour forms one of the chief assets of the Dominion, and in order to encourage the further development of the great grain-growing provinces of the West, on which develop-ment the future of Canada in large measure depends, it is desirable that the maximum

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cost of the transportation of these products should be determined and known, and therefore are of opinion that the maximum established for rates on grain and flour, as at present

in force under the Crowsnest Pass Agreement, should not be exceeded.

The committee are further of the opinion that before such investigation is undertaken it is essential to ensure that the provisions of the Railway Act in reference to tariffs and tolls, and the jurisdiction of the Board thereunder, be unfettered by any limitations other than the provisions as to grain and flour hereinbefore mentioned.

The committee therefore advise that the Board be directed to make a thorough investigation of the rate structures of railways and railway companies subject to the juris-

The committee therefore advise that the Board be directed to make a thorough investigation of the rate structures of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable rate structure, which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade, both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and in particular to:

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate basis which they enjoyed prior to 1919;

(b) The encouragement of the movement of traffic through Canadian ports;
(c) The increased traffic westward and eastward through Pacific coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama canal;—

The Board of Railway Commissioners for Canada, in order to effect and carry out as expeditously as possible the directions of the above in part recited Order in Council, keeping in view the specific instructions contained therein, hereby requests the public, both as individuals and organizations, as well as provincial, municipal and civic authorities. Boards of Trade, Chambers of Commerce; Trade, Industrial and Labour organizations; firms, companies and individuals, including shippers and carriers, as follows:—

(a) To submit to the Board any statement of facts under which it is claimed that unjust discrimination, or undue preference, or unfair treatment exists in connection with the rates of freight charged upon any commodities; or in the treatment of any person, city or province by any railway company:

(b) To set forth the grounds upon which it is claimed on behalf of the Maritime Provinces that they are entitled to the restoration of the rate

basis which they enjoyed prior to 1919;

(c) To make submission as to the encouragement of the movement of traffic through Canadian seaports:

It is recommended that all submissions filed pursuant to the above suggestions be printed or legibly typewritten, and at least twenty copies thereof be forwarded to the secretary of the Board at Ottawa, not later than the 15th day of August, 1925. All statements and memoranda so filed will be open to public inspection at the office of the secretary of the Board. Persons inspecting the same will be permitted to take copies thereof, and to reply thereto by statement filed with the secretary of the Board not later than the 1st day of September, 1925. Not less than twenty copies to be filed. All memoranda and statements filed in pursuance of the above are for the consideration of the Board in the matters involved, being intended as an aid and guidance to the Board in its investigation, but are not to be received in lieu of evidence upon the matters therein dealt with.

Testimony now before the Board in cases already heard and in which no decision has been given is not to be repeated. New and material evidence in

such cases may be submitted in the usual way.

The purpose of the above request is to put the Board, as early as possible, in possession of any and all complaints against the existing rate structure which may be put forward for its consideration in the investigation to be held pursuant to the directions contained in the Order in Council, and to specifically direct the attention of the Board to the subject matter of such complaints, with

a view of considering what changes, adjustments and redistribution in rate incidence, in accordance with the law, may be necessary to correct the defects complained of, and to secure to the fullest possible extent the equalization of freight rates, so as to deal equitably with all parts of Canada, as well as to facilitate the interchange of commodities between various portions of the Dominion and to encourage industry and agriculture and the development of export

The Board desires to enter upon such investigation with the least practicable delay, and to conduct the same in a manner most calculated to secure a complete and systematic development of all facts material to the inquiry with a minimum of disturbance to business and traffic conditions generally.

A. D. CARTWRIGHT,

OTTAWA, July 9, 1925.

Secretary.

TIT

Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 7th January, 1926.

P.C. 24

The committee of the Privy Council have had before them a report, dated January 6, 1926, from the Minister of Railways and Canals, representing that the committee of the Privy Council has had under consideration the advisability of encouraging to the fullest extent the movement of Canadian grain and other

products through Canadian ports.

The minister states that by Order in Council (P.C. 886), dated June 5, 1925, the Board of Railway Commissioners for Canada was directed to make a thorough investigation, already under way, of the rates structures of railways and railway companies subject to the jurisdiction of Parliament with a view to the establishment of a fair and reasonable rate structure which will, under substantially similar circumstances and condition, be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion and the expansion of its trade, both foreign and domestic, having due regard to the needs of its agricultural and other basic industries, and in particular to:

(a) The claim asserted on behalf of the Maritime Provinces that they are entitled to the restoration of the rate basis which they enjoyed prior

(b) the encouragement of the movement of traffic through Canadian ports;

(c) the increased traffic westward and eastward through Pacific coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama canal.

The committee of the Privy Council therefore recommends that the Board of Railway Commissioners for Canada be directed, as a part of the general ate investigation above referred to, especially to inquire into the causes of Canadian grain and other products being routed or diverted to other than Canadian ports, and to take such effective action under the Railway Act, 1919. is the Board of Railway Commissioners for Canada may deem necessary to nsure, as far as possible, the routing of Canadian grain and other products hrough Canadian ports.

The committee sumbit the foregoing for Your Excellency's approval.

(Sgd.) E. J. LEMAIRE, Clerk of the Privy Council.

IN THE MATTER OF VARIOUS INDIVIDUAL SUBMISSIONS AND APPLICATIONS PRESENTED TO THE BOARD IN THE GENERAL FREIGHT RATE INVESTIGATION

(For Index see page 409.)

It is set out in the judgment of the Chief Commissioner that in addition to the issues raised in the submissions from the various provinces, there were some eighty individual submissions presented to the Board, not involved in the matters dealt with by the Board's judgment, which would be disposed of in a separate schedule. These individual submissions were received from all parts of the country and related to the rates on various commodities and with varying territorial application. In some cases discrimination was alleged, and in other instances reductions in rates were applied for. Some of the applications were developed orally at sittings of the Board at various points, and others are on the record to be disposed of on written submissions.

Subsequent to presenting same, a number of parties making submissions wrote the Board asking that they be considered withdrawn. A list of these

follows:-

File Number.

34123.4.2 — Dominion Foundries and Steel, Ltd., Hamilton, Ont. 34123.7 — Salada Tea Company of Canada, Ltd., Toronto, Ont.

34123.9 — Canada Western Cordage Co. Ltd., New Westminster, B.C.

34123.14.2—Guy Tombs, Ltd., Montreal, Que.

34123.21 — Spanish River Pulp & Paper Mills, Ltd., Sault Ste. Marie, Ont.

34123.22 — Northern Ontario Light & Power Co. Ltd., Cobalt, Ont.

34123.27 —Bird & Son, Hamilton, Ont.

34123.28 —H. J. Heinz Co., Pittsburgh, Pa.

34123.41 —Grande Prairie Board of Trade, Grande Prairie, Alta.

34123.43 —Cassidy's Limited, Winnipeg.

34123.49 — Niagara Falls Branch, Can. Manufacturers' Ass'n.

34123.54 — Schofield Paper Company, Saint John, N.B.

34123.56 — Canadian National Millers Ass'n., Montreal, Que. 34123.73 — South Shore Board of Trade, St. Lambert, Que.

There were a number of submissions which expressed general views on rate and transportation matters, but which did not raise specific issues, or, where certain rates were alluded to, the matter was not developed in sufficient detail. While what is stated in these submissions, worded in general terms, has been noted and considered, they are not being herein specifically dealt with, except that in some cases the questions raised in these general submissions are covered by other submissions that are dealt with in the judgment of the Board or the report which is contained herein. The submissions coming under this category are as follows:—

File Number.

34123.5 — Canadian Council of Agriculture, Winnipeg, Man.

34123.8.2 — Ontario Fruit Growers' Associations, St. Catharines, Ont.
Niagara Peninsula Fruit Growers' Association, St. Catharines, Ont.
St. Catharines Chamber of Commerce, St. Catharines, Ont.

34123.13.2—United Farmers of Manitoba.

34123.14 — Canadian Lumbermen's Association, Ottawa, Ont. 34123.19 — Canadian Pulp and Paper Association, Montreal, Que.

34123.20 -Board of Trade of the City of Toronto, Ont.

File Number.

34123.29.1—Cochrane Board of Trade, Cochrane, Ont. 34123.31 —Vegreville Board of Trade, Vegreville, Alta.

34123.36 —W. O. Sealey, Hamilton, Ont. 34123.40 —Fort William Board of Trade. Port Arthur Board of Trade.

34123.52 — Dominion Fuel Board, Ottawa, Ont.

34123.71 — Montreal Board of Trade. 34123.72 — Tisdale, Sask., Board of Trade.

In some of the submissions the questions that were raised related to international rates from points in Canada to destinations in the United States. The decision of the Board is that the submissions that raised the question of international rates will be dealt with apart from and subsequent to its disposition of the matters coming under the heading of the General Freight Rate Investigation. Submissions coming under this heading are as follows:—

File Number.

34123.2.2 —Associated Shippers of New Brunswick, Hartland, N.B. 34123.8.1 —Fitzsimmons Fruit Company, Ltd., Port Arthur, Ont.

34123.14 — Canadian Lumbermen's Association, Ottawa, Ont.

34123.14.1—Gillies Bros. Ltd., Braeside, Ont.

34123.19 — Canadian Pulp & Paper Association, Montreal, Que. — American Cyanamid Company, Niagara Falls, Ont.

The matter of joint rates is raised in certain submissions and the decision of the Board is that same will be dealt with subsequently, and independently of the General Freight Rate Investigation. This refers to the following:—

File Number.

34123.20 —Board of Trade of the City of Toronto, Ont. 34123.50 —Nestle's Food Company (Inc.) New York, N.Y. 34123.70 —John P. Stevenson & Co., Toronto, Ont.

The question of rates on iron and steel commodities is to be dealt with apart from the General Freight Rate Investigation. Tariffs filed by the carriers revising the rates on iron and steel articles to be effective December 1, 1926, were suspended by Order No. 38462 dated November 27, 1926, and the matter is standing for hearing. This has reference to submissions of the British Empire Steel Corporation and others, as well as being referred to in file number 34123.4 (the Steel Company of Canada, Limited, Hamilton, Ont.) and file number 34123.20 (Board of Trade of the City of Toronto, Ont.).

While the issues raised in the submissions from the various provinces are dealt with in part in the judgment of the Board, and in other respects in the report which follows herein, there are some rates that were referred to that are not dealt with in detail, or specifically, herein, although in this connection

it may be stated that the record has been read and considered.

With regard to the balance of the individual submissions, the Board concurs in the conclusions arrived at by the Chief Traffic Officer, whose report collows:—

REPORT OF THE CHIEF TRAFFIC OFFICER

File 34123.1

Submissions of the Saskatchewan Stock Growers' Association, the Saskatchewan Live Stock Board, the Western Stock Growers' Association, and of Counsel for the Provinces of Manitoba, Saskatchewan and Alberta, re rates on live stock.

The Saskatchewan Stock Growers' Association and the Western Stock Frowers' Association forwarded written submissions under date of July 9 and

October 5, 1925, respectively in the form of resolutions passed by their associa-Both resolutions were in the same language as follows:-

Whereas the prices received by the producers of live stock, whether such live stock is marketed in Canada or exported, are controlled by prices prevailing in export markets, and which the cost of transportation to such export markets operates to reduce by that amount

the prices received for live stock at the point of shipment.

Therefore be it resolved by the Saskatchewan Stock Growers' Association in annual convention assembled, that the executive be instructed to bring these facts to the attention of the Dominion Government, railway companies and the Board of Railway Commissioners, when the new freight rates are being drawn up, and further, that all bodies concerned be strongly urged to regard live stock as being at least as fully entitled to basic commodity rates as grain and flour in the new freight rate structure.

The Saskatchewan Live Stock Board filed written submission under date of September 11, 1925, in which they expressed the opinion that the following changes were necessary in order to foster the live stock industry:-

A reduction of the charges on cattle for export to approximately pre-war rates, and a

corresponding reduction on horses.

A reduction on rates on shipments of horses, cattle, sheep, swine and poultry to local and Eastern markets to approximately pre-war rates.

An adjustment of the local rates on horses to conform more closely to rates on cattle. A renewal of the privilege of completing loading of stock at primary provincial markets.

That portion of the written submission of counsel for the province of Saskatchewan, dated May 3, 1926, which deals with rates on live stock, reads:-

That in order to permit of the freest possible interchange of commodities between the various provinces of the Dominion and the expansion of its trade having due regard to the needs of the basic industry of agriculture, the existing tariffs covering a movement of cattle, hogs, sheep and horses be examined with a view to:

(a) Equalizing the rates presently published for the movement of these commodities within prairie territory to the basis of the rates for similar movements in eastern territory.

(b) Reducing the rates on cattle, hogs and sheep from stations in the prairie provinces to Montreal and stations west thereof for consumption in eastern Canada, and to the ports

of Montreal, Quebec, St. John and Halifax for export.

(c) To a closer approximation between the rates for the movement of horses and cattle within prairie territory. The movement is largely of range horses of low value, not exceeding that of cattle. At present it costs the producer \$17 more per car of 20,000 pounds to

ship horses of this type than cattle from Maple Creek to Moose Jaw.

(d) Providing wider privileges for the completion of loads en route to and at primary markets. When cars of cattle, hogs or sheep less than minimum weight are received at primary markets under the present regulation, the local buyer has practically no outside competition, as a result of which the producer receives a substantially lower price for his

(e) The encouragement of finishing live stock on the farms and in the feedlots of the west by the maintenance of a low rate on feeder stock from primary markets to such farms

and feedlots.

In the written submission of counsel for the province of Manitoba, dated

August 21, 1925, it is set out:

That mixed farming has become a very important industry in Manitoba: that with the increased volume of business, lower rates outward should prevail on cattle, sheep, hogs and dairy produce of all kinds.

The submission and argument of counsel for Alberta was largely confined to an application for reduction in the rates on cattle, hogs and sheep from

Alberta points to Vancouver.

The submissions of the various live stock associations, and of the province of Saskatchewan, were developed at sittings of the Board in Regina, June 21 and 22, 1926. At the final hearing in Ottawa further evidence was put in, as well as argument. Numerous exhibits were also filed. While the evidence, exhibits and argument have all been carefully read and considered, it is not proposed to comment in detail upon all the exhibits and evidence.

The various applications for a reduction in the live stock rates are all based on the ground that this is a very important industry, and the necessity exists of doing everything possible to make it favourable for live stock to be produced,

which includes as low freight rates as it is possible to obtain; in other words, reduced rates are applied for based on the alleged needs of the industry, and nowhere in the record will there be found any evidence adduced to the effect that the rates now current on live stock, in themselves, or as compared with

rates on other commodities, are unreasonable.

At the Regina sittings various representatives of the live stock industry appeared. Mr. Wylie made some comparison of the conditions as they existed in the early ranching days, that is, prior to 1905 or 1906, and as they are to-day. He stated under the old conditions there was practically no expense and no taxation, and while, at that time prices were not high, owing to the small expense of production, he expressed the opinion that they were better off under those conditions than to-day. At present the cost of production is a good deal heavier by reason of cost of fencing and equipment, and one of the greatest factors in the increased cost is due to the necessity of purchasing a larger area of what is known as owned land as against grazing lands which were rented prior to 1905 from the Dominion Government at 2 cents per acre, to which was added a provincial tax of $1\frac{3}{4}$ cents, making a total rental of $3\frac{3}{4}$ cents per acre per annum. He stated the cattle producer was not receiving a satisfactory price and, therefore, needs assistance through reduced freight rates. Figures were given showing estimates of cost of raising cattle, but admittedly these figures would show a material variance in different localities, so that there is nothing conclusive on the record as to the situation as a whole in this respect.

Mr. Learmonth stressed the desirability of finishing feeding cattle in Saskatchewan rather than shipping them out of the province and to Eastern Canada for finishing. He gave statistics concerning the production of live stock and the

handling of feeders. He stated:-

The present feeder rates help to stimulate feeding and although the volume is a long way from ideal, the assistance to the feeder is both of importance in helping him to secure his stock and after he has finished it to help him to secure a stronger price on the best markets.

Mr. Learmonth's only submission as regard the freight rates was the statement. "It would surely be encouraging to the feeder to have the present rates favourable and lower rates to eastern points on finished cattle either for con-

sumption or for export."

Mr. Wright, President of the Western Canada Live Stock Union, dealt particularly with the export situation and referred to the competition in Great Britain with Argentine chilled beef and the war between the Argentine producers and American packers as affecting the market in Great Britain for Canadian finished cattle. He stated the miners' strike in England last year had seriously affected the Canadian cattle trade. He also referred to the important outlet for Saskatchewan surplus cattle in the United States after removal of its tariff against Canadian cattle in 1909, and the severe curtailment in that trade following the year 1919 in which the United States Government again imposed the tariff against Canadian cattle.

Mr. Robertson, Live Stock Commissioner of the province of Saskatchewan, stressed the extent and importance of the live stock industry and the necessity of doing everything possible to make it favourable for live stock to be produced. He pointed out that while there had been a marked development in the live stock industry in the last twenty years, the development during the last ten years has been slow, and in the period last named there has not been the progress expected. He stated there were several factors contributing to the conditions existing in recent years, the principal one being the upsetting of things caused by the deflation after the war. He stated that in 1920 the price of cattle underwent a deflation that was so serious that it crippled the finances of stock raisers and put many of them out of business, and others will require a considerable period of prosperity to recover.

At page 7550 Mr. Robertson stated, after giving statistics as to estimated value of live stock and live stock products:—

These figures indicate that the live stock industry has been passing through, and is still passing through a period of depression, and as the permanent prosperity of this country depends upon agriculture, and the permanent success of agriculture depends on the growing of live stock it behooves every allied interest to give the live stock industry every possible assistance, and the railways of Canada can play a very important part by granting the very lowest possible freight rates. In fact, it is to their interest to assist the stock men of Western Canada and the live stock industry in general to the utmost of their ability, and there is considerable evidence to show that they are alive to the situation.

In the various submissions it is apparent that the live stock industry recognizes that the railway companies have been of considerable assistance. In the written submission of the Saskatchewan Live Stock Board, dated September 11, 1925, it is stated:—

It is recognized that the continuance of the successful raising of live stock is of the greatest importance to the well being of the province, in fact, is of national importance, is evidenced by the efforts put forward by Dominion and Provincial Governments and the transportation companies.

Mr. Robertson stated (page 7555):—

That the railways are far sighted and broad minded is evidenced by the fact that they in other ways do considerable for the encouragement of the growing of live stock. They play their part in promoting better live stock on the farms by carrying pedigreed breeding stock at half rates, carrying live stock to provincial exhibitions free one way, encouraging better live stock through the operation of better live stock trains, encouraging Boys' and Girls' Swine Clubs, assisting drought areas by reduced rates for the transportation of fodder, and in various other ways. All these are important and indicate a proper appreciation of the importance of developing this basic industry.

Again at page 7575 he stated:

The railway companies have always, when they were approached to do anything for

the encouragement of better live stock, shown a willingness to co-operate.

The reduction sought in the rates on cattle, hogs and sheep from prairie points to Eastern Canada for consumption there, or for export, is on the ground that any reduction in the toll will be of just that much assistance to the live stock industry.

With regard to rates locally between points in Western Canada on cattle, hogs and sheep, exhibits were filed showing that up to 50 miles rates in prairie territory are the same or lower than in Eastern Canada; beyond 50 miles the rates in prairie territory are higher than in Eastern Canada, the differences in the case of cattle, hogs and sheep ranging from 1 to $4\frac{1}{2}$ cents per 100 pounds. Equalization with Eastern Canada with respect to these local movements of cattle, hogs and sheep between points in prairie territory, is applied for.

With regard to horses, exhibit F.H. 154 shows no uniformity as between points in prairie territory and in Eastern Canada, the rates in cents per 100

pounds being:-

 Miles	Eastern	Prairi
	7 12½ 16½ 19½ 24 29 34½ 43 47½ 52 59½ 66½ 80 94	

The reduction applied for in the rates on horses was more particularly for shipments from prairie points to Eastern Canada. It was stated that there is a market for range horses in the Maritime Provinces and for heavy draft horses in Ontario. It was set out that there was a surplus of horses for which there was no local demand in the west, consequently they are very low in price. While the low value of the horses was referred to, there are no specific figures on the record making comparison as to value between horses and cattle. On referring to the Canada Year Book, 1926, page 227, under the heading of "Estimated Numbers and Values of Farm Live Stock in Canada, by provinces, 1922-1925," the following data are found regarding horses and cattle in the provinces of Manitoba, Saskatchewan and Alberta:—

Province	1922	1923	1924	1925	1922	1923	1924	1925
Manitoba	No.	No.	No.	No.	000	000	000	000
Horses. Milch Cows. Other cattle. Total cattle.	252, 245	253,715 437,996	263,577	233, 273 487, 472	10, 589 12, 302	10, 170 9, 952	10,248 10,069	10, 229 13, 525
Saskatchewan— Horses.	1,143,502	1 197 901			,,	20, 122	20, 317	23,754
Milch cows. Other cattle. Total cattle.	150 000	403,813 1,131,274	468, 151 1, 060, 716	496, 502 1, 002, 909	76, 978 18, 405 26, 064 44, 469	59,931 15,645 24,133 39,778	70, 245 19, 194 24, 396 43, 590	20,357 26,076
Alberta— Horses	060 010	000	_		- 2, 200	00,110	40,000	46,433
Milch Cows. Other cattle. Total cattle.	863, 316 392, 037 1, 261, 005 1, 653, 043	410, 242 1, 110, 682	861, 537 433, 528 1, 188, 468 1, 621, 996	849, 939 460, 722 1, 066, 007 1, 526, 729	36,630 14,724 26,124 40,848	33, 439 15, 808 25, 253 41, 061	33,038 16,332 27,114 43,446	36, 393 18, 318 27, 635 45, 953

There is nothing to indicate specifically whether or not this includes the range horses referred to.

It was stated there were large numbers of these horses of little value in Western Canada and it was urged that something should be done to stimulate their movement to some market where they could be disposed of. Mr. Wylie stated that there was a market in Quebec and that they were moving there in considerable volume at present, but that it was more or less a speculative pusiness. At page 7480 the following discussion took place:—

By Mr. Watson:

Q. I do not want to impose on Mr. Wylie, but I am interested in this horse business. Iave you any idea what these horses would be worth in the province of Quebec, what ould be got for them?—A. I do not know what they are getting for them, but they are oming up here and buying them at a very cheap rate and taking them down there, and hey keep coming to get more, so I suppose it must be remunerative to the people who re engaged in it.

Q. So that the present rate is not an obstacle to the horses moving?—A. I say much urger numbers would go, in fact, I do not know but what we would move them all, that re here, in time, especially if a few thousand are taken to Europe. The older animals ould be taken to Quebec probably, because there seems to be a great market there for

The carriers point out that the question of reduced rates is approached atirely from the standpoint of assistance to the live stock industry. They refer the assistance that they gave to the live stock industry in 1921, following the rious condition existing in 1920 as result of the post-war deflation. At that time industry was in a very serious condition and effective August 15, 1921, the ilway companies reduced the rates on cattle, hogs and sheep locally in both restern and Eastern Canada by taking off all the increase in rates authorized the Board effective September 13, 1920, while from Western to Eastern Canada a reduction of 20 per cent was made. This action had the effect of making a

greater reduction from the peak level of freight rates, in the case of live stock, than has yet taken place with respect to other commodities, except in the case of the Crowsnest grain rates which are statutory. The carriers point out that there has been a marked improvement in the live stock industry since 1921, and they refer to exhibit No. 23 filed by counsel for Saskatchewan, being 6th Annual Live Stock Market and Meat Trade Review for 1925, in which the following appears:-

It would appear that after a long period of depression the live stock industry has once again entered upon a cycle of prosperity and, given normal pasture and feed conditions during the next few years, cattle, sheep and swine production should more than

compensate for the post-war depression.

Markets were remarkable for the absence of sharp and wide fluctuations, so common in other years. The autumn marketing period was outstanding by virtue of the comparative ease with which the increased supplies went into consumption and the unusual steadiness to price levels. No gluts nor drastic price reductions occurred, a condition which can be credited to few autumn runs in the history of our marketings. This unique situation as regards cattle was attributed to a very excellent demand for stockers and feeders to turn the big crop of winter feed into money, and an improved consumptive demand for beef for both home and export trade.

It is estimated that the average price on the rank and file of cattle marketed during the last three months of the year was from 90 cents to \$1.35 per hundred higher than during 1924, and this on a run containing an increased offering of lightweight cattle, very heavy marketings of female stock, and fewer strongweight cattle than during the previous year. Country buyings of export cattle were relatively heavy in 1925 and a much smaller percentage of weighty stock reached the market than would have been the case had country buyers been less active. Demand was so good that during the autumm prices paid for weighty stock for export were often out of line with British market values.

Heavyweight cattle, a class which normally has not proved economic of production, came back to trade popularity during the year, due to the shortage of beef tonnage and the small supplies of good weights: This class enjoyed a similarly strong season in the United States and sold at times better than the smaller stock.

Prospects are encouraging. No surplus of beef stock exists in any of the chief producing countries and world consumption based on purchising power should more than hold the present rate. Reference to English, Irish and United States statistics indicates no heavy production for 1926-27.

The hog situation in Canada in 1925 was remarkable for strong and steady prices on a pretty good run, and a very noticeable improvement in the general quality of the offering. It is estimated that the per head value of hogs of good bacon weights and quality was a full \$7 higher than during the previous year. Short supplies on the British market from Denmark and the United States contributed to the good price movement and our export of 86,000 head to the Pacific Coast states of the United States was a buoyant factor. But among the chief reasons for the improved market was a generally higher standard of quality in the select and thick smooth classes, combined with a better export pack, and a regained reputation among British consumers, as producers and manufacturers of high quality export bacon.

During 1925 we were able to materially narrow the spread in price between the best grades of our product and the best of the Danish. On December 31 we were down to \$1.25 difference as compared with \$2.50 in 1924 and \$3 in 1923. This promises well for the future, indicating as it does that the improvement in the quality of our hogs and the product is progressive and this has proved a big factor in expanding sales and making new

Market prospects may be considered as very favourable. Denmark does not promise marked prospects may be considered as very lavourable. Denmark does not profinse any marked increase in production. Her big effort of 1924 is reported as having been unconomic and is not likely to be repeated. The most recent statistics regarding United States pig population and littering prospects show very little improvement and the consumption of meats in the United States is increasing by 250,000,000 pounds annually. According to reliable authorities there is not much chance of any material increase in export surplus from that country. Ireland's climatic conditions at the close of the year were not such as to promise any increase in Irish contribution.

As regards sales prospects, it is expected that industrial conditions in Europe will continue to improve. The United States consumer is maintaining a most astonishing purchasing power. In both instances, a permanently high standard of living is apparent and there are no prospects for a return of consumption in Great Britain and the United States

to pre-war volume.

The 7th Annual Live Stock Market and Meat Trade Review for 1926 is since at hand, and from same the following is quoted:--

The live stock market during 1926 lacked the stimulating effect of steadily rising prices, yet compared quite favourably with that of the previous year when the market was strongly on the upturn and was considered as being the strongest for all classes of live stock since as far back as 1900. The rank and file of cattle showed even better prices than in 1925, and at the same time were greater in volume. Had export quality and weights of cattle received as strong recognition as did the ordinary run, the market would have been without parallel.

Many depressing and abnormal factors entered into the export situation but a broad domestic demand accounted for generally good average prices paid on all public stock yards in the Dominion. Of the seventeen grades of cattle listed in the statistical section of this report, only two showed lower average prices in eastern markets, while in the west, every grade showed higher averages as compared with those of 1925. In some

instances, grades were higher by from 75 cents to \$1.75 per hundred.

Unfortunately, however, the export classes of cattle sold on a market which showed steady declines during the last half of the year. This is particularly true of those offered on the eastern markets or bought at country points in Ontario, after the fed-stock was exhausted. After July, the outlet for cattle of export weights revealed a steadily growing price weakness, and that class ended the year without the usual strong demand for the

The British market, our chief outlet for heavy cattle, showed considerable weakness, and sales failed to provide a reasonable margin of profit over costs which were high on account of keen competition from the domestic trade during the fed-cattle period. Later on in the year, shipments overseas were sharply curtailed. The depressing factors which affected our trade in the British market included the miners' strike, which greatly reduced the buyers' purchasing power and as well developed a shortage of fuel, which in its turn instituted a preference for ready-cooked meats. The disagreement as between the various contains a property of the disagreement and shilled meats, and companies in Argentine introduced a price-cutting war in frozen and chilled meats, and as a result, bargain prices prevailed. This situation reacted very strongly on the market for fresh beef, and as well, in view of the uncertainty of the issue, more or less discouraged the demand for store cattle, which was already suffering from the effects of a prevalence of foot and mouth disease.

Our other important export outlet, the United States, while allowing for a heavier movement than during the previous year, showed a similar situation as in Canada between the top grades of cattle and the general run. As a result, sales of fat cattle on that market were generally at comparatively poor price levels, whereas the lower grades showed relatively high values. Records indicate that the top for Alberta range steers at Chicago was \$8.90 in 1926, as compared with \$11.50 in 1925. On the other hand, cows, heifers, bulls and oxen consignments had a top of \$7 as compared with the lower top of \$6.75 for the previous year. Reflecting the general trend of the United States market, the spread in price on Alberta cattle was the narrowest since 1914 and unfortunately was such as to be unfavourable on the top end.

Despite the deadness in heavy cattle during the latter part of the past year, the market has since early in 1925 shown steady recovery from the depression which then prevailed. Early in the new year there was strong evidence of further improvement with re-establishment of the better grades of steers at very fair prices.

Most of the abnormalities which depressed the market of 1926 have disappeared. Our prospects for a better trade with Great Britain have improved with the settlement of the coal strike and the consequent industrial betterment within that market. As regards the United States market, the situation offers much encouragement.

The carriers referred to the fact that they had in numerous ways assisted the live stock industry, some reference to which on the part of witnesses for the live stock industry has already been referred to herein. At page 4658 (Vol. 502) Mr. Watson stated:-

In all these submissions there is no claim that our rates to-day on live stock are unreasonable or that the railways have not in the past given this particular industry preferred reatment and service in every possible direction, but on the contrary the attitude and action of the railways has been voluntarily and favourably commented upon by those who have the greatest knowledge and deepest interest in this particular traffic.

Reference was also made to exhibit 19, filed by counsel for Saskatchewan, being proceedings of the 13th Annual Convention of the Western Canada Live Stock Union, held at Saskatoon, December 10, 11 and 12, 1925, and on page 108

thereof, being portion of address by J. H. Auld, Deputy Minister of Agriculture,

province of Saskatchewan, the following appears:-

Transportation companies, on the other hand, could show, I have no doubt, that the movement of traffic is much more costly since the war, and that either higher rates or more business or both of these, are necessary in order for them to carry on, so that if in deciding when freight rates are equitable we are to consider both the railways and their patrons we may have considerable difficulty.

We can only point out the facts, however, as they affect the live stock producer, recognizing at the same time that the railway companies are as indispensable to the success of agriculture as agriculture is to them. That they are alive to the importance of agriculture, and the live stock industry, is clearly demonstrated by the way in which the railways have

recognized it in their policies.

Let me mention some of the things which the railways in Western Canada are doing

to encourage the live stock industry:-

1. Half rates on all pedigreed stock. This rate was granted exclusively in Western Canada for many years, and only within the last three years have railways in a few of the States of the United States granted similar concessions.

2. Carrying live stock to provincial fairs and expositions free one way.

3. The Canadian Pacific in the early days presented the farmers with purebred bulls free of charge, and in later years, through live stock trains, have distributed purebred bulls free of freight charges, and also returned scrub bulls to market free of charge.

4. In order to help the live stock industry, freight free distribution has been made

of fodder crop seeds through fodder crop cars.

5. Encouragement has been given to the raising of bacon hogs by assistance to boys' and girls' bacon hog clubs in the three Prairie Provinces, including prizes and free trips for the winning team in each Province to the Toronto Royal Winter Fair.

6. Better live stock trains have been run for many years demonstrating the desirability

of the use of purebred sires.

7. Half rates on stockers have been given to encourage winter feeding and finishing of cattle.

8. The railways have also given assistance in the movement of both stock and fodder during the drought years, when they absorbed one-third of the charges on hundreds of carloads of fodder and returned live stock free of charge from points where they had been shipped for wintering.

Counsel for the province of Saskatchewan referred to exhibit F.H. 99 containing statements produced by the Canadian Pacific Railway pursuant to request of counsel for Saskatchewan, page 46, which is a statement of earnings, etc., on various commodities, in carloads, carried during 1925, and in the case of live stock the figures are as follows:-

_	Tons	Tons one mile	Average haul in miles	Revenue	Rate per ton mile
Lines east of Port Arthur. Lines west of Port Arthur.	287, 817 409, 951	95,814,778 137,433,919		\$ 1,516,064·35 2,264,326·62	

With regard to the above figures Mr. Lloyd of the Canadian Pacific Railway, Vol. 494, page 1165, stated that while these showed a rate per ton per mile on lines east of Port Arthur of 1.58 cents as compared with 1.65 cents on lines west of Port Arthur, there was included in the lines east figure about 33,000,000 tons one mile of live stock which moved through from Western to Eastern Canada, and which was carried at a rate per ton mile of 1.16 cents, and the balance of the live stock on eastern lines, being the local movements in the east, was carried at a rate per ton per mile of 1.81 cents as compared with per ton mile rate of 1.65 cents on lines west of Port Arthur. The ton mile statistics, however, do not reflect any existing differences in average hauls or car loading.

Exhibit F.H. 242 made comparison of minimum carload weights of live stock and other commodities between points in Canada, showing that while with respect to other commodities, minimum weights have materially increased over a period of years, there has been no increase whatever in the carload mimimum weight for live stock and, as a matter of fact, there has been a decrease in the case of hogs and sheep in single deck cars.

Exhibit F.H. 244 shows car mile earnings on representative movements of various commodities, and in connection with cattle and hogs the car mile earning from prairie points to Eastern Canada ranges from 9 to 14 cents, as compared with Canadian Pacific Railway figures for the year 1925 (exhibit F.H. 99, page 9), of 23.81 cents on lines east, 21.98 cents on lines west, and 22.69 cents total lines east and lines west.

Exhibit F.H. 243 indicated the nature of special live stock train service on western lines of Canadian National Railways as an example of the special service accorded to live stock which, being a perishable traffic, requires expedited

service and extra switching at terminals in many instances.

With regard to many other low grade commodities, on account of heavier loading than live stock, car mile earnings are very appreciably higher, and with regard to many of such commodities, practically any type of railway equipment can be used, while live stock requires special equipment, and it is stated on the record that the percentage of empty haul as compared with loaded haul, in the case of live stock cars, is at least double that of other cars. In view of the very low average loading of live stock and the fact that it requires to be given expedited despatch and prompt handling on arrival at destination, there would seem to be no question that the handling of this traffic involves a greater cost per unit than in the case of other traffic. An additional expense in the handling of live stock traffic is the cost of the facilities for feeding, stock pens, etc., that are necessary at loading stations and en route.

Reference has been made to differences in the rates applying locally in Eastern Canada as compared with the local movements in Western Canada. In this connection what is stated in section XIII of Board's Judgment in the application of the Calgary Live Stock Exchange, Vol. XIII, Board's Judgments, Orders, Regulations and Rulings, page 233 (at pages 245-7), is particularly relevant. Aside from the differences in rates there are other factors with respect to which the advantage is with the local movements in Western Canada. For example, between points in Western Canada as well as in the case of shipments from Western Canada to Eastern Canada, reduced return transportation is granted to the attendant or owner, who has travelled in charge of the shipment, at one-half the regular first-class fare. Between points in Eastern Canada there is no provision for reduced return transportation. In any rate comparison this has to be taken into consideration. Again there is the special reduced basis of rates applicable in Western Canada on stockers and feeders which witnesses for the live stock industry admitted was a very important concession; there is no similar arrangement in Eastern Canada. Equalization as applied for would involve complete equalization and it would seem very questionable, from the record, if this would not result in disadvantage to Western Canada.

With regard to horses, witness for the carriers at page 2764 of Vol. 498 pointed out that the pre-war relationship between the rates on horses and cattle was restored on August 16, 1923, that is, that the then current rates on horses were reduced, the reductions varying from 14.7 to 16.3 per cent. It is also set out that the carload movement of horses from Western Canada to Eastern Canada via Canadian Pacific Railway during the last five years was as follows:—

1922	· Cars
1922	
1923. 1924. 1925.	
1925	 510
t was allowed that the	 711

and it was alleged that these figures, which included shipments via Canadian Pacific Railway only, indicated that substantial progress is being made in the narketing of horses in Eastern Canada. Reference is made to their greater alue on the average and the greater liability which the railway assumes under he provisions of its live stock contract.

The reduced rates applied for, in the case of live stock, are not based on the allegation and evidence that the rates are not in themselves reasonable. Counsel for the province of Saskatchewan stated (Vol. 506, page 6223):—

I am simply suggesting that, having regard to the importance of the development of this industry, and the almost unlimited extent to which it can be developed in Western Canada with favourable markets, and the fact that there are no markets to-day for our surplus cattle to speak of, except in the old country, any encouragement that can be given by reduction of rates on cattle for export, combined with the reduction that has already been received on the ocean rates, would be of great assistance.

At page 6490, Vol. 507, counsel for the province of Manitoba stated:—
I am not going to attempt to show that the cattle rates are in themselves unreason-

I am not going to attempt to show that the cattle rates are in themselves unreasonable. I do not think I can, and I do not propose to take up time doing it. I am frank to confess that I could not do it.

He did, however, suggest equalization as between local rates in Eastern and

Western Canada.

One thing is very clear from the record and that is, there are a great many factors which affect the live stock industry to a much greater extent than the freight rate, as without any alteration in freight rate most marked changes

have taken place in the industry and violent fluctuations in price.

In 1920 and 1921 the live stock industry was in a very serious condition, yet the rates thereon were not considered by the Board to be unreasonable as railway rates, having in view cost of railway operation and general level of freight rates. While, therefore, in 1921 the Board did not feel justified or see on what grounds it could order a reduction in rates; as a result of round-table conference and to assist the industry in the serious condition then existing, the carriers made the reduction in rates which has already been referred to herein. In other words, there has been a substantial reduction in the rates that were then considered in themselves to be reasonable, and there is nothing on the record indicating that there has been a change in railway cost of operation or other conditions of such a character as would now justify the Board in finding that the present rates on live stock, embracing as they do the substantial reductions referred to, should be further reduced. Further, I do not consider that a case of unjust discrimination has been made out.

With regard to rates from Alberta points to Vancouver, such evidence as was adduced does not, in my opinion, warrant any direction as to reduction in

these rates.

The submission also asked for additional stop-off privileges, but this feature of the matter was not sufficiently developed in evidence and on the record to enable it to be here dealt with intelligently.

File 34123.1.1

Application of

The Eastern Canada Live Stock Union for-

1. Reduction in minimum carload weights on mixed cars of live stock.

2. Reduction of 25 per cent on stockers and feeders shipped from market to country points.

Heard at Toronto, January 14, 1926.

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REDUCTION IN MINIMUM CARLOAD WEIGHTS ON MIXED CARS OF LIVE STOCK

This is an application for a reduction between points in Eastern Canada in the minimum carload weights, as published in the tariffs of the carriers, applicable on cars containing a few head of cattle mixed with other live stock. The question concerns single deck cars, and consequently the various minimum

carload weights quoted herein will refer to single deck cars not over 36 feet 6 inches in length. Excluding horses, which are not here concerned, the minimum carload weights as required by the provisions of the traffic now in effect are:-

Straight Carloads.—Cattle, 20,000 pounds; Calves (under 6 months old), 14,000 pounds; Sheep or lambs, 14,000; Hogs, 16,000 pounds.

Mixed Carloads.—When live stock is shipped in mixed carloads, charges for the entire carload are assessed at the highest carload minimum weight

applicable on straight carloads of the class of stock the car contains.

While the minimum carload weights applying on straight carloads of one kind of live stock only are also above set out, this being necessary to a proper understanding and interpretation of the provision as to mixed cars, there is no question here at issue or complaint of any kind as to the minimum weights for straight carloads; it is only the rule as to mixed carloads that is involved and the application is, that for the rule requiring the application of the highest minimum weight on a mixed carload, there should be substituted a rule providing the following scale of minima:

In mixed cars containing 1 or 2 cattle, 17,000 pounds; 3 or 4 cattle, 18,000 pounds; 5 or 6 cattle, 19,000 pounds; over 6 cattle, 20,000 pounds.

Summarizing briefly the position taken by the applicants, it is stated that the chief characteristic of agriculture in Ontario is a system of diversified mixed farming under which there is a lack of specialization in the raising of one class of live stock, resulting, therefore, in two or three classes of stock offering for shipment and consequently necessitating the shipment of a large number of mixed cars.

The importance of mixed car movements to the Union Stock Yards, Toronto, was emphasized by the submission of figures showing that during the past five years approximately 50 per cent of the total cars of live stock received there have been mixed loads. It is stated this is approximately double the proportion of mixed cars that move to the larger United States yards. loes not mean, however, that approximately 50 per cent of the total movement nto Toronto is affected by this application, because it does not embrace mixed ears that contain no cattle or mixed cars containing over six cattle, which have constituted the bulk of the total mixed car shipments. This is clearly illusrated by the figures submitted by applicants showing an analysis of the mixed ar receipts at the Union Stock Yards, Toronto, for a three months period, viz., he months of October, 1923, March and August, 1925, which it was stated vere chosen because they represent characteristic light, medium and heavy novements into Toronto, in so far as cattle are concerned. These figures are:—

3.64		TIBUTUS all
Mixed cars containing over 6 cattle Mixed cars containing 5 or 6 cattle Mixed cars containing 3 or 4 cattle Mixed cars containing 1 or 2 cattle Mixed cars containing no cattle	1,243 136 92	58.4% 6.4 4.3 2.4
		28.5
Total	2,128	100.0%

It will be noted that of the total mixed cars, during the period in question, 3.1 per cent would be affected by the minima applied for in this application.

It is alleged by applicants that the shippers cannot, as a rule, afford to ship ss than six head of cattle in cars with hogs, calves or sheep, as the inclusion of e cattle results in raising the minimum weight from 16,000 pounds to 20,000 unds, which, it is claimed, imposes an excessive cost for the transportation these small lots of less than six cattle.

These small lots of cattle offered for shipment in mixed cars with other ock consist largely of three types, described as (a) reasonably well finished tcher or export animals; (b) springer cows, which usually consist of dairy cows that are about ready to freshen, and (c) what are called stockers or feeders, i.e., an animal not properly finished for butcher purposes, usually steers and two-year-olds, and which are desirable for the farmer who buys a few more cattle than he raises in order to finish them. When not accepted and included in the mixed loads, these cattle frequently find their way into other trade channels; the disposition of same by types as above described being (a) sold to the local butchers, and is one of the principal sources of supply of the local butcher in the smaller communities; (b) bought by local farmers; (c) sold locally to farmers engaged in feeding and finishing cattle. The contention of applicants is that this results in some loss of traffic to the carriers, also that it tends to narrow the market of the farmer, or as described by applicants-"the railway loses the opportunity to carry them; the farmer who has them to sell loses the opportunity of the best market." Not all these cattle go to these other trade channels. In many cases it simply means they are held over at the shipping point for a few days until others offer, so that there is a larger number available for shipment. Frequently they are also shipped in the small numbers of 2, 3 or 4, as illustrated by the analysis of mixed loads already quoted herein.

The railway companies oppose this application. They point out that this live stock traffic all moves under special commodity rates appreciably lower than the classification basis; further, that the minimum carload weights provided in connection with these special commodity rates for straight carloads of live stock, except in the case of cattle, are lower than contained in the Canadian Freight Classification as approved by the Board. Ordinarily where special commodity rates are established the minimum carload weights prescribed in connection therewith are higher than contained in the Classification, so that in according live stock a minimum weight the same or lower than contained in the Classification it has received exceptionally favourable treatment.

Another objection of the carriers is that the universal rule regarding mixed carloads of live stock, or any other freight, not only in Canada but also in the United States, is that the highest minimum weight of any article or commodity in the mixed car governs. The rule applied for on live stock is a departure from the rule that has always applied on this traffic, as well as from the rule obtaining with regard to all other commodities, and they submit there is no reason why live stock should not receive the same treatment in mixed carloads as other commodities. That the applicants understand the situation as to this mixing rule, is indicated by the statement of Professor Leitch at p. 519 that "the mixed car rules under which our carriers operate are the usual mixed car rules found in railway transportation."

It may be here noted that the granting of mixed carload privileges, whether it be on live stock or other freight, has the effect of permitting shippers to assemble less than carload lots of different articles or commodities of sufficient volume in the aggregate to make up a carload quantity, and such mixed shipment, instead of being charged for at the respective less than carload rates appertaining to the different articles in the mixture, is accorded the benefit of the carload rate, the only restriction being that the carload rate shall be that applying on the highest rated article in the mixture, if of more than one class, and that it shall be subject to the highest minimum carload weight applicable on any of the articles contained in such mixed carload. Obviously, any other arrangement would actually accord to articles or commodities shipped in less than carload quantities more favourable treatment than when the same traffic is shipped in a straight carload; an anomaly which surely would be unreasonable and indefensible.

Dealing with the statement of applicants that if the proposed minima were adopted many cars now shipped at 16,000 pounds would undoubtedly be

transported at 17,000, 18,000 or 19,000 pounds which, in addition to being of benefit to the shipper, would also mean additional revenue to the carriers; Mr. Ransom pointed out that cars now moving at 20,000 pounds would be reduced to 19,000, 18,000 and 17,000 pounds, which is admitted by Professor Leitch (p. 547). Mr. Ransom contended the applicants' proposal would result in loss of revenue to the carriers.

With regard to the difficulty in at all times collecting full carloads of live stock at one station, Mr. Ransom referred to the tariff provision of the carriers which permits a part carload loaded at one point to be stopped in transit for completion of load at a charge of \$3 per car for each stop, the carload weight and rate from original point of shipment to final destination being accorded.

Professor Leitch stated (p. 541) he considered "the minimum weights for straight carloads of stock are, considering the amount and character of the animals themselves, pretty reasonable." I do not understand it is alleged by applicants that the rule as to mixed carloads is unreasonable per se; but it is claimed it at times works some hardship on the shipper and a more

favourable rule is consequently applied for.

This application has its origin in the fact that in the special commodity tariffs the minimum carload weight for hogs is 16,000 pounds, while on cattle it is 20,000 pounds, and a brief history concerning the establishment of the reduced minimum weight on hogs would consequently seem to be particularly relevant to the issue here. In the Canadian Freight Classification first approved by the Board in 1904 (also previously in force) cattle, hogs and calves (six months old or over) were provided with a carload minimum weight of 20,000 pounds; sheep and calves (under six months old) 18,000 pounds. The mixed carload rule provided that cattle loaded with calves, hogs or sheep would be charged at the weight for cattle. This classification provision has remained unchanged and is contained in Canadian Freight Classification 17, the current issue, approved by General Order No. 421 dated July 17, 1925.

The tariffs publishing special commodity rates on live stock carried the same provisions as to carload minimum weights until 1907, when the minimum weight on sheep and lambs was reduced to 14,000 pounds. This change was brought about as a result of complaint of packers in Toronto regarding the minimum weight applicable to Buffalo under the Official Classification, and it was urged that the Buffalo packers had an advantage in buying in Canada. This competitive situation led to the adoption of the reduced minimum on the Canadian movement. In 1909 the minimum weight of calves (under six months

old) was also reduced to 14,000 pounds.

There were contemporaneously in effect special tariffs naming still lower rates on "hogs to packing-house points for packing and reshipment." From 1903 (the earliest tariff on file) to 1906 the carload minimum weight under these tariffs was the same as in the other tariffs referred to in preceding paragraph, viz., 20,000 pounds. In September, 1906, a change was made in these ariffs, providing that the hogs would be billed at an estimated weight of 20,000 pounds, with a provision stipulating that on arrival at destination, provided actual weights were in all instances furnished to receiving agent of he railway by consignee, charges would be corrected to actual weight at lestination subject to minimum of 16,000 pounds. There was a further conlition, viz., that this arrangement only applied to a list of packers, as shown in he tariff, who had advised the railway company they desired to avail themelves of this arrangement and agreed that they would permit a representative f the railway to examine their books at the packing house, in order to verify rom time to time the weights furnished to railway agents. This arrangement ontinued in effect until September, 1910. The special basis of rates on live hogs 62863-21

for packing and reshipment was made because there was originally intended to be the reshipment out again in the form of packing-house products for export to foreign countries, and it was the desire of the railways to assist and encourage the exportation of hog products from Canada in competition with packers in the United States.

In 1909, Mr. H. P. Kennedy, a live stock shipper at Peterborough, complained to the Board that as an independent shipper he was discriminated against in the matter of freight rates by reason of the lower rates in favour of the packers. The foundation of his complaint was that the preferential freight tariff enabled the packers to overbid their competitors in buying and to undersell them in the local meat market. The carriers admitted the discrimination. In the meantime, there had also been a charge in the situation, in that no longer was the output of the packing houses all reshipped, and in the larger cities much went into local consumption and some packers had retail stores (Davies of Toronto had at that time over 30). Conferences took place between the carriers, shippers and packers, with the result that the discrimination was removed by the publication of new commodity tariffs which were general in their application. One of the concessions made by the carriers at this time was to extend generally the minimum weight provision for hogs as formerly contained in the special packers' tariffs. In 1920 the 16,000 pounds minimum on hogs was made absolute; as in fact, for all practical purposes, it had been since 1910.

This is the reason for the existence in the special commodity tariffs of a minimum weight on hogs lower than the Classification basis, which is an exception to the general rule under commodity tariffs, and I do not consider that a reduced minimum weight having its origin under such circumstances should be the basis from which to approach the question of minimum weights on mixed carloads of cattle and hogs, quite aside from the general principle governing mixed carloads, as already herein referred to.

As already outlined, the applicants' whole case here rests, not on the question of the reasonableness of the mixing rule per se, or from a transportation standpoint, but solely from the standpoint of the shipper and the allegation that it imposes an excessive cost for the transportation of small lots of six cattle or less when included in the mixed car. Does the rule impose an excessive cost? I have taken for the purpose of computation the 153-cent rate named by applicants as governing into Toronto from the territory from which the bulk of the mixed cars originate; the computation on any other rate gives the same relative result. On a straight carload consisting of twenty cattle the charge is 20.000 pounds at 151 cents or \$31, which makes the transportation cost \$1.55 per animal. On a car of hogs the charge is 16,000 pounds at 151 cents, or \$24.80. Under applicants' proposition, if two cattle are included with the hogs the charge will be 17.000 pounds at 151 cents, or \$26.35, or \$1.55 (representing the difference between \$24.80 and \$26.35) for the transportation of the two cattle, or 771 cents per animal, which is exactly one-half the cost of transportation per animal in a straight carload. Applicants' proposition produces exactly the same results where four or six cattle are included, viz., transportation per animal for one-half the amount paid in the case of a straight car of twenty cattle. Of course, with more than twenty head in a straight carload the figures would be slightly altered, but as numerous straight cars are shipped with twenty head the illustration is a fair one. To put it another way, and merely illustrating the one instance, applicants' proposition involves adding up to 2,400 pounds additional weight in the car and paying for only 1.000 pounds additional.

In the case of the straight car illustrated, the charge per animal is \$1.55. Under the carriers' present mixed carload rule the inclusion of cattle makes the transportation cost per animal as follows:-

1 animal		
2 animals	\$	6 20
2 animals		3 10 each
		2 06 "
5 animals		1 55 "
5 animals 6 animals		1 24 "
6 animals.	1	1 03 "

The record does not indicate whether there are many instances where only single animals are offered, and only 2.4 per cent of the mixed cars contained two animals or less. Where three animals are included the charge approaches that for shipments in straight carloads; in the case of four animals it is the same, and with five or six animals it is less. In this connection it is interesting to note that of the mixed car shipments only 10.7 per cent contained cattle ranging from three to six in number, and yet the charge per animal of these cattle in said mixed cars is the same or lower, when four or more are included, as the charge per animal in straight carloads, and the latter is admitted by applicants as being "pretty reasonable". In other words, although shipper can obtain transportation for three to six cattle included in a mixed carload at practically the cost per animal when shipped in straight carloads, the privilege is not being very largely availed of.

I do not consider the rule applied for should be directed, the principal reasons

for this conclusion being:-

1. It would produce the anomaly of a charge per animal in less than carload quantities of cattle, included in mixed carloads, lower than when the same animals are shipped in straight carloads.

2. It would do violence to universal and long-established rules governing mixed carloads.

Is not the shipper of groceries, hardware, furniture, iron and steel, or any other commodity, and who just as frequently as the live stock shipper has to contend with a similar mixed carload rule, entitled to the same treatment?

3. The adoption of the suggested rule would, I submit, to be consistent, have to be extended also on live stock in other sctions of the country and on

other commodities.

4. I do not consider it proven that the present rule imposes an excessive transportation cost.

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REDUCTION OF TWENTY-FIVE PER CENT IN RATES ON STOCKERS AND FEEDERS SHIPPED FROM MARKET TO COUNTRY POINTS

Application is made for a reduction in freight rates of 25 per cent on stockers and feeders between points in Eastern Canada. Stockers and feeders consist of attle which are not sufficiently finished or fattened to be ready for the butcher clock or the export market. In many instances it is more profitable for some armers to produce and ship the partially finished animal than the fully grown nimal. In other cases, farmers find it profitable to purchase, in excess of that they themselves raise, quantities of these feeders or stockers and finish nem. Apparently in some districts, or portions of them, the feeding conditions re more favourable to the production and shipping of the feeder, while other ections, or portions of them, are more favourable for the purchasing and sipping in of the feeder for finishing. Again, in some cars shipped by the irmers to the primary markets there may be some animals that can profitably s further finished. Quantities of these feeders are sold and purchased locally or contiguous to the feeding districts, but the bulk of them, according to the 62863-213

record, are purchased at the primary market in Toronto and shipped out to Ontario points, within approximately a radius up to 150 miles, for finishing. It is explained that the advantage of buying these feeders in the primary market is that the farmers have varying ideas and desires as to the kind of feeder most profitable for their particular condition, and, therefore, want different kinds of cattle; and that at the primary market the incoming shipments are classified and graded, and the purchaser can consequently obtain there the kind of cattle desired. Professor Leitch, witness for the applicants, stated with regard to the reduction of 25 per cent in freight rates applied for (p. 531):-

It would have this effect: It would encourage feeders to use the central market for the It would have this effect: It would encourage feeders to use the central market for the purpose of their requirements for feeding purposes, because there would be a lowering in the cost of getting a car from the central market to their home station. If that is encouraged, if the reduction is sufficiently large so that it would be a factor in determining a feeder whether he should go to the market and take all the advantages of that market, or try to get his cattle at home, something that would meet his travelling expenses or his keep while he is at the market, it would swing him over to using the market. And it would also tend to marke a keener demand at the market for feeder and stocker cattle, and undoubtedly encourage the market, in from the country.

and undoubtedly encourage the moving of those cattle in from the country.

A number of witnesses, being parties engaged in the feeding and finishing of cattle in various representative districts, stated that in their opinion the reduction in rates applied for would increase appreciably the volume of this traffic.

Applicants stated the Ontario counties supplying the best finished cattle. also those in which feeding is practised to the greatest extent, are Ontario, Wellington, Waterloo, Bruce, Huron, Grey, Perth and Middlesex. The counties of Ontario, Wellington and Waterloo are stated to be within approximately a 55-mile radius of Toronto, and the counties of Bruce, Huron, Grey, Perth and Middlesex within a radius of from 75 to 150 miles. An analysis was submitted. distinguishing between these two groups of counties, of the number of head of cattle shipped into Toronto and the number shipped from Toronto, showing that a much larger percentage was shipped out from Toronto to the group of counties within the 55-mile radius than to the further distant group. The figures are:

	Percentage of the tot shippe	shipped ou al number ed in
	A. 55-mile group	B. 75-150-mil group
920	per cent	per cent
921 922.	13 53 58	

The opinion was expressed that if the primary market were used exclusively for supplying feeders in all the feeding and finishing areas, it would possibly result in shipments therefrom approximating 60 per cent of the number shipped in; consequently, the above figures indicate that the counties in group "B" obtain the largest percentage of their feeders locally. It was, therefore, suggested by applicants that through a substantial reduction in freight rates on feeders from the primary market there was an opportunity for the railway companies to materially increase their business in this traffic to the counties in group "B". However, when asked by counsel for the applicants if the decrease in freight rates applied for would result in as large a percentage of the movement from Toronto to Group "B" counties as now exists to group "A" counties, Professor Leitch stated (p. 536):—

I would not expect it unless the rates were put on an absolute parity; that is, if the Middlesex rates or Huron rates were made equal to Waterloo or Wellington.

In other words, unless a fixed rate is established which is the same to all these feeding counties, entirely irrespective of distance, there would not, in the opinion of Professor Leitch, be a movement to group "B" points comparable with that to group "A". The application, however, is for a reduction of 25 per cent from all rates.

It seems obvious that with regard to stations some considerable distance from Toronto the local supply of feeders would largely be disposed of locally, where there also exists a demand for them, because if they are shipped into Toronto and then back from Toronto, two freight rates are involved, and it would appear that in many instances even nominal freight rates both ways would still leave an advantage in favour of the local supply. However, in this connection there is the statement that large numbers of feeders in these districts are purchased from Western Canada, Winnipeg and west, on which there are no special reduced rates in force, or applied for, below the regular live stock rate. This indicates the existence of market conditions that are not altogether, at least, influenced by the rates from the primary market at Toronto. Very little necessity, apparently, exists for the reduction in rates applied for to the counties in group "A", the following discussion (at p. 545) being pertinent to this:

Mr. FLINTOFT: Would you suggest, Professor Leitch, that the same concession is necessary for those nearby points that only pay 14½ cents, or a less rate?—A. The business s developing now under the present rate, from 13 to 14½ cents. It is not so necessary for hem, but I qualified that again by saying that practical considerations probably would not admit of giving a certain scale of rates at 50 miles, and then a reduction.

Q. There are difficulties about that, are there not?—A. Yes.

As supporting the application for reduced rates in Eastern Canada, reference was made by applicants to the reduced rates published by the carriers on tockers and feeders in Western Canada. The carriers state there is an entire lissimilarity of conditions; that in the West, as compared with the East, a elatively much smaller percentage of the cattle are finished there; that the listances hauled are considerably greater both into and out of the primary narkets of Winnipeg, Calgary, etc.; that the same conditions in regard to mixed arming do not exist, and the reduction in the West was established to assist he live stock industry there and encourage mixed farming in Western Canada. Ar. Todd, a member of the executive of the Eastern Canada Live Stock Union, greed with the foregoing statement as to differences in distance; admitted that he East has natural advantages over the West, and that the conditions as to nixed farming are not the same. It was not alleged by applicants that disrimination exists because there is a reduced basis in the West below the regular ve stock rate and not in the East; their application is in essence founded on ne submission that if a reduction was good for the West, a similar reduction ould be good for the East. A mere difference in rate, particularly in different ections of the country, does not necessarily result in discrimination which is njust. There is nothing on the record indicating that the Ontario live stock rmer or shipper is in any way hurt by the arrangement in Western Canada ferred to.

The Board has recognized that differing conditions, competitive conditions, etc., have ought about differing rates and rules in different sections.

In speaking of rate adjustments in the West, it has been said that particular facts of e section in which the rate adjustment is made must be considered, and it does not low that the arrangement operative in the West would be a criterion of discrimina-on in connection with a complaint as to a different rate adjustment east of the Lakes. en the comparison is concerned with a rate or practice existing in Eastern Canada.—ard's Printed Judgments and Orders, Vol. XIII, No. 18, at p. 245. Applicants put into the record figures showing the number of feeders and stockers shipped from Toronto to points in the eight counties above named, as follows:—

1920		 	20,600
1921	 		12,300
1922			37, 300
1922			48 500
1923	 	 	40,000

According to the reports of the Public Markets, Limited, controlling the Union Stock Yards at St. Boniface, Man. (Winnipeg), the disposition of stockers and feeders from those yards for the years for which we have the data is as follows:—

Year	Manitoba, Saskatchewan, Alberta	East	South	Over- seas	Total
1917	36, 323 41, 958 28, 315 19, 751 13, 532 15, 926 21, 067 18, 159 17, 821	17,096 15,647 5,103 31,265 7,580 39,699 32,421 40,935 55,318	20, 495 44, 047 105, 696 65, 835 39, 700 84, 543 65, 629 46, 261 40, 832	8,341 3,341 4,410	73, 914 101, 652 139, 114 116, 851 60, 812 140, 168 127, 458 108, 696 118, 381

Reference was made by applicants to reduced rates on feeders from the St. Boniface Yards while there is no reduction in the rates from the Union Stock Yards at Toronto. It will be observed, so far as the St. Boniface Yards are concerned, that the shipments under reduced rates to destinations in Manitoba, Saskatchewan and Alberta are not as heavy as they were some years ago, viz... 1917-18-19, and it will be further noted that the shipments to the East, i.e., Eastern Canada, and to the South, i.e., to United States points, are very much heavier than to the prairie points, yet it is only to the latter that reduced rates are in effect. For example, taking 1925 as illustration, 17.821 cattle moved at reduced rates to stations in Manitoba, Saskatchewan and Alberta; 55,318 moved under the regular live stock rates to Eastern Canadian points; 40,832 at the regular live stock rates to United States points; and 4.410 were shipped overseas. Attention is directed to the large number of cattle shipped from the Winnipeg Yards to Eastern Canadian points at the regular live stock rates, indicating that there exists market conditions, not influenced by freight rates, which govern the movement of stockers to Ontario feeding grounds; because, of course, the rates from Winnipeg are naturally, on account of greater distance, very much higher than are the rates from the Toronto market, which are merely nominal rates in comparison with the Winnipeg rate, on account of the shorter distance. Attention is also directed to a comparison between the shipments from Toronto yards to country points under the present rates, and from Winnipeg yards to Manitoba, Saskatchewan and Alberta under the reduced rates. It will be noted that to the eight counties specifically referred to by applicants the shipments from Toronto exceed in number those from Winnipeg to prairie points.

Applicants readily acknowledge, and of course it is perfectly patent, that a 25 per cent reduction in freight rates would mean a considerable loss in the earnings of the carriers, but they affirm that in their opinion the stimulus to the industry and increased business flowing from the reduction in rates would shortly actually increase the earnings of the carriers. Submissions of this same

character are frequently made to the Board. The record is most inconclusive as to what increase in the traffic in feeders would actually ensue from the decrease in rates applied for. If reduction is made in the rates of 25 per cent, then, in order for the carriers to obtain, not an increase in earnings, but exactly the same gross earnings as they did before the rates were reduced, they would require an increase of $33\frac{1}{3}$ per cent in the volume of the traffic. With this increase of $33\frac{1}{3}$ per cent in the volume of the traffic handled, the carriers gross earnings therefrom would be exactly the same as before the reduction was made; but would it be seriously suggested that their net earnings would be the same; or in other words, that it would cost nothing at all to supply and haul one-third more cars of this highly perishable traffic, which requires special equipment and expedited handling? This point might be enlarged upon, but I do not think it necessary, beyond to say that, in my opinion, some fallacy exists in some submissions of this character that are from time to time placed before the Board.

The railway companies pointed out that the general level of rates on cattle, sheep and hogs is relatively lower than on other traffic. This condition was brought about in the following manner: Under the Board's General Order No. 308, dated September 9, 1920, rates generally in Eastern Canada were increased 40 per cent, effective September 13, 1920. As a result of subsequent orders directing reductions in rates, the present position is that the rates on certain so-called basic commodities (as described in paragraph "A," page 77, Board's Printed Judgments and Orders, Vol. XII) are now on a basis of 171 per cent over the rates in effect prior to September 13, 1920, while rates on other traffic—with one or two exceptions—are on the basis of 25 per cent over the rates in effect prior to September 13, 1920. However, with respect to the rates on cattle, sheep and hogs, these were reduced in August, 1921, by restoring them to the rates in effect prior to September 13, 1920; in other words, all the increase of that date was taken off. This was brought about, not under Order of the Board, but as a result of a conference between the Canadian live stock interests and the carriers, held in Ottawa at the instance of the Board, and the reduction was made by the carriers in order to assist in preserving the basic industry of live stock, which found itself in a very distressing and depressed condition in 1921 as a result of post-war conditions. Having regard to all the circumstances, the Board did not feel warranted in 1921 in directing this basis of rates on live stock, but it was at the suggestion of the Board that the conference took place with a view to seeing if, under the exceptional conditions then prevailing, the carriers would accord special treatment in the matter of rates on live stock, without it being looked upon as establishing a precedent with regard to rates The reduced rates then established have been continued in effect, although it is well known, and admitted on the record, that there has been a very great improvement in the condition of the live stock industry since 1921. For example, in the Sixth Annual Live Stock Market and Meat Trade Review for 1925, issued by the Dominion Department of Agriculture, it is stated: "It would appear that after a long period of depression the live stock industry has once again entered upon a cycle of prosperity, and given normal pasture and feed conditions during the next few years cattle, sheep and swine production should more than compensate for the post-war depression." As illustrating the rates on live stock, there is shown below a few comparisons for representative distances, of 80 and 120 miles, of the revenue per car on cattle with other freight, and there has been taken for this comparison, not the rates on higher grade freight, but the rates on the cheapest and lowest grade commodities which are iandled by the carriers.

	3.51		80 miles		120 miles			
Commodity	Min. weight	100 lbs.	Per	25 p.c. red.	100 lbs.	Per	25 p.c. red.	
	lb.	c.	\$	\$	c.	\$	\$	
Cattle Cinders. Sugar beets. Beet pulp. Ice. Brick. Bituminous coal. Sand and gravel. Moulding sand. Agricultural limestone. Rubble stone.	80,000 60,000 80,000 60,000 80,000 60,000 80,000	$\begin{array}{c} 15\frac{1}{2} \\ 10 \\ 6 \\ 7 \\ 7 \\ 7 \\ 11 \\ 8 \\ 8 \\ 10\frac{1}{2} \\ 8\frac{1}{2} \\ 9 \\ 9 \\ 10\frac{1}{2} \end{array}$	31 00 60 00 24 00 42 00 55 00 48 00 64 00 43 50 58 00 63 00 84 00 51 00 68 00 62 00 72 00 42 00	23 25	19 12 9 11½ 9 13 3 9 9 8 8 4 4 12½ 10 10 10 11 11 12½	38 00 72 00 36 00 69 00 54 00 54 C0 72 00 52 50 70 00 75 00 100 00 80 00 88 00 50 00	28 50	

With regard to many of the commodities above named, practically any type of railway equipment can be used. So far as live stock is concerned, this requires special equipment, in respect to which the records of the carriers in 1921 show that their percentage of empty haul, as compared with loaded haul, in the case of live stock cars was double that of other cars. There is also the very low average loading of live stock; and the fact that it requires to be given expedited dispatch, also prompt handling on arrival at destination. I think there can be no question but that the handling by the carriers of live stock traffic involves a

This application, however, does not attack the present rates on live stock or allege that they are unreasonable or discriminatory. There was an entire absence of any evidence of this character. Such reference as was made to rates by witnesses for the applicants may be summed up in the statement of Mr. Todd, of the Eastern Canada Live Stock Union, that he considered they had received fair treatment in the matter of rates. Professor Leitch, at p. 540, stated: "Considering the necessities of the live stock traffic, and the special equipment that is moved, it is moved at an extremely reasonable rate." This application, therefore, has as its foundation the submission that the live stock industry would be stimulated by the granting of the reduced rates applied for. However, before directing a reduction in the rates, it seems to me the Board would have to be satisfied that the present rates, either of themselves or in comparison with other traffic, are unreasonable, and I can find nothing on the record that would furnish any justification for such a conclusion being reached.

File 34123.2

Complaint of J. Troop McClelland, Lunchburg, N.S., re rates on Potatocs from points in Prince Edward Island and New Brunswick to destinations in Nova Scotia.

Written submission was made to the Board by Mr. J. Troop McClelland, Lunenburg, N.S., dated July 14, 1925, containing the suggestion that readjustment of freight rates in the General Freight Rate Investigation should result in reductions in rates on potatoes from Prince Edward Island and New Brunswick points to destinations in Nova Scotia. At sittings of the Board at Moneton April 8, 1926, Mr. McClelland was not present or represented. The railway company put on the record its statement, and a copy thereof was sent to the applicant, from

whom there has been no further communication or submission. The railway company stated that the scale of rates applicable on this traffic in the territory here in question was the same as in effect throughout all territory east of Westfort, Armstrong, Sarnia and Windsor and that no argument had been adduced showing that the rates were discriminatory or unreasonable. These rates were reduced July 1, 1927, under the provisions of the Maritime Freight Rates Act, 1927, and no further action by the Board at this time seems necessary.

File 34123 2 1

Smithers District Board of Trade, Smithers, B.C., re rates on Potatoes.

There is on the record the written submission of Smithers District Board of Trade, dated August 3, 1925, and the reply of Chairman Ransom of the Canadian Freight Association under date February 15, 1926, on behalf of the carriers, copy of which is shown as having been forwarded to the Smithers District Board of Trade. The matter was not further developed by oral submission at the sittings of the Board in Vancouver or Prince Rupert, where various features of the General Rate Investigation were spoken to.

The Smithers District Board of Trade refer to an "inequality in freight cates working against the farmers of this district in the matter of freight on potatoes and vegetables to Prince Rupert." They cite rate of 20 cents per 100 bounds on potatoes, carloads, from Ashcroft to Vancouver, 203 miles, as compared with rate of 29½ cents from Moricetown to Prince Rupert, 204 miles, and

101 cents from Smithers to Prince Rupert, 226 miles.

There is in effect, covering the movement of potatoes in carloads between points in British Columbia, a mileage scale of rates, and it is this mileage scale which is applicable from Moricetown and Smithers to Prince Rupert. ame mileage scale is the normal rate applicable from Ashcroft to Vancouver. However, there is in effect a special competitive commodity rate from Ashroft and other points in Southern British Columbia to Vancouver, which is ower than the normal mileage scale applicable in British Columbia. The railvay states the reduced rates in Southern British Columbia were established to nable British Columbia vegetable growers in that section to meet competition 1 Vancouver from adjacent United States territory; that the existence of these ompetitive rates has no bearing or influence on the movement of potatoes from mithers or Moricetown to Prince Rupert; that is to say, there is no competion in the Prince Rupert market with potatoes shipped from the Asheroft istrict or from United States territory.

. The Railway Act contains specific provisions authorizing a reduced charge n traffic handled to meet competitive conditions without necessitating correconding reduction in normal rates, and it has been held in numerous decisions f the Board that comparison as between competitive rates and normal rates no evidence of the unreasonableness of normal rates per se. There is no pecific complaint before the Board against the normal mileage scale applicable 1 potatoes and vegetables in British Columbia, and the reasonableness of this ileage scale per se, which, it is noted, is a substantial reduction from the 8th ass rates which would be applicable under the provisions of the Canadian reight Classification in the absence of lower commodity rates, is not attacked.

File Nos. 34123.3 and 34123.16

ibmissions of the Town of Simcoe and the Canadian Canners, Ltd., re so-called "Town Tariff Class Rates."

The town of Simcoe, by written submission dated August 8, 1925, in sponse to circular of the Board dated July 9, 1925, asking for statement of cts under which it is claimed that unjust discrimination exists in connection

with freight rates, set out that in 1920 complaint had been lodged with the Board that the inhabitants of the town of Sincoe were obliged to pay higher freight rates on goods going in and out of Sincoe than accorded to other places, and application was made for an order directing the railway companies to give residents of the said town as favourable rates as the companies accord to other places. The application was refused by Order of the Board No. 30822 dated March 20, 1921, and the judgment of the Board in respect thereto is set out in Vol. X of Board's Judgments, Orders, Regulations and Rulings, page 500. It is stated by the town of Sincoe that the same state of affairs still exists, which the Board is asked to rectify. Chairman Ransom of the Canadian Freight Association, on behalf of the carriers, pointed out that this was a revival of the application refused in 1921, and as the town of Sincoe rests its case on the submissions made at the previous hearing the carriers would do the same. In reply to Mr. Ransom the town of Sincoe wrote the Board on January 14, 1926, as follows:—

In this matter we are enclosing herewith copy of letter dated December 31, 1925,

received from Mr. G. C. Ransom, Chairman, Canadian Freight Association

We are calling your attention particularly to this letter because Mr. Ransom seems to have been under the impression that the Town made an application for lower freight rates.

This is scarcely correct. What the town really did was to reply to the circular letter of the Board, bearing date the 9th of July, 1925, issued by the Board by virtue of Order in Council, P.C. 889, dated June 5, 1925, regarding freight rates in Canada and asking numicipalities to submit to the Board any statement of facts under which it is claimed that unjust discrimination or undue preference or unfair treatment existed in connection with rates of freight charged upon any commodities or in the treatment of any person, city or province by any railway company, etc., and our letter of August 8, 1925, was in reply to such request, and to give. We simply desire to make ourselves clear in the matter so that there may be no misunderstanding.

The Canadian Canners, Ltd., in written submission dated July 23, 1925, named thirty points at which they operate factories in Ontario in the territory west of Toronto, Niagara Falls and Bridgeburg. The points enumerated are not so-called town tariff points (list of the latter being given in the judgment above referred to) and they alleged that unjust discrimination exists on class traffic between such points as are not accorded the town tariff or schedule "A" basis, which should be corrected at this time. In a further submission dated November 29, 1926, the Canadian Canners referred to the points in the above described territory at which they operate factories, and stated that with respect to shipments moving between such points they are compelled to pay standard mileage class rates. They attach an exhibit showing comparison between the standard mileage and schedule "A" class rates, but the actual differences in rates paid are not, in many instances, those represented by this comparison, for the reason later outlined herein. It may be here noted that the schedule "A" and standard mileage scales are identical up to 35 miles.

The Canadian Canners point out that while the same standard mileage class rates are applicable in the territory east of the above defined territory, i.e. east of Toronto, the towns given the special town tariff rates seem to be so equally distributed that there does not seem to be the same cause for complaint as in the

territory west of Toronto. They further state:-

This company owns and operates a number of factories east of Toronto at points which are not accorded town tariff or schedule "A" rates, but the situation is such that the long and short haul clause of the Railway Act of 1919 can be applied and, as a result,

no great injustice is done at the present time.

They also state that after careful consideration of their submission of July 23, 1925, they do not ask for the publication of town tariffs from all of the thirty points previously enumerated, and, therefore, modified their application to a request that these rates should be published from Aylmer, Simcoe, Strathroy, Burlington, and Forest.

It is stated above that the actual differences in rates paid is not reflected in a comparison between the standard mileage and schedule "A" class rates. Taking the case of Simcoe this cannot be more clearly indicated than by quoting the following excerpt from the Chief Traffic Officer's report of January 28, 1921, which was adopted as the Board's judgment in the previous application of the

It should be understood that the application of the town of Simcoe is by no means It should be understood that the application of the town of Simcoe is by no means so far reaching of itself as might appear on its face. In the first place the "town" tariff and the standard are identical up to 35 miles. Secondly, to and from all points east of Toronto, Simcoe is already on the same footing as all other points west of Toronto under the grouping system outlined in the International Rates Case. This was admitted by applicants. Further, since the rates of the "town" tariffs apply in both directions, that is to say, to as well as from the distributing centres, it follows that Simcoe has the advantage of those rates to all the points west of and including Toronto enumerated in the list given above: also under the long and short hard principle, to directly intermediate tage of those rates to all the points west of and including Toronto enumerated in the list given above; also, under the long and short haul principle, to directly intermediate stations not in the list until the standard rates thereto become the lower. For example; the 1st class rate from Sincoe to Barrie, which has a "town" tariff, is 66 cents (61½c.). The three next intermediate points are Thornton, Cookstown and Beeton which are not "town" tariff points. The standard rate to Beeton is 70 cents (65c.), and to Cookstown and Thornton 73½ cents (68c.), but they get the benefit of the 66 cent (61½c.) Barrie rate.

The tariff is plain on this point, reading as follows:—

Pater to and from intermediate points: Shipments between points on the GTR.

Rates to and from intermediate points; Shipments between points on the G.T.R. em. . . . not specified herein will be charged standard mileage rates. subject to rates shown (herein) as maxima between stations directly intermediate.

The only additional advantage that Simcoe would secure, if its application were granted, would be the substitution of the "town" scale for the standard tariff to and from other points west of Toronto over 35 miles distant which do not fall within this arrange-

In connection with above excerpt, the present rates are shown in brackets, a reduction in the rates having been made since the date of the said report.

The situation is similar with respect to the other points from which town tariff rates are now applied for. For example, the standard 1st class rate from Forest to Beamsville is 72 cents, but the actual rate is that of the St. Catharines "town" tariff, namely, 65 cents. From Forest to Wiarton, which is a town tariff point, the 1st class rate is 65 cents; Hepworth, Tara and Chesley are intermediate points and the standard rate 1st class would be 751 cents to point first named and 72 cents to the other two stations, but the rate paid is the 65 cent Wiarton rate as maxima. The town tariff scale, if applied from Forest to Hepworth and Tara, would be 65 cents 1st class, which is the same as is actually now in effect under the maxima above referred to. Similarly, from Strathroy to Jordan the standard 1st class rate is 68 cents, but the actual rate is that of the St. Catharines town tariff, namely. 611 cents, and the town tariff basis from Strathroy to Jordan would also be 61½ cents, so that there would be no reduction here. From Aylmer to Tecumseh and Belle River the standard 1st class rate is 65 cents but the rate that would be paid is that to Windsor, namely, 58 cents, and the application of the town tariff scale from Aylmer would make no lower rate than 58 cents to Tecumseh and Belle River.

The present class rate situation is that there are certain town tariff points to and from which schedule "A" class rates apply; there are other centres which have been given special class tariffs which, while "special," are not on the "town" tariff or schedule "A" basis; and between those points that these two classes of tariffs do not operate as maxima, under the long and short haul provisions of the Act, the standard mileage class rates apply. The origin of the special class tariffs is explained in the previous judgment herein referred to, Parry Sound being taken as an illustration.

There would seem to be no question that there is an element of discrimination in favour of the centres that have these so-called town tariffs. Those here in question had their origin in competition between the Grand Trunk and Great Western of former days. With regard to discrimination of this character, the following extract from the Board's judgment in the Western Rates Case is relevant:—

It has also to be borne in mind that any special rate, such as those contained in town tariffs or commodity rates, of necessity results in some discrimination. Commodity tariffs, under which the large bulk of the country's merchandise moves, work a two-fold discrimination. In the first instance a discrimination in favour of shippers of a particular class of merchandise from points where the volume moving justifies a commodity rate as against shippers of the same commodity at points where no commodity rate exists; and, secondly, a discrimination in favour of the article carried at the commodity rates as against articles of a kindred nature which might come more or less into competition with the article moving under the commodity rate. The effect of the town tariff is to give an advantage, of course, to a distributing centre as against similar stations within the area in which goods are distributed under a town tariff scale.

Discriminations of this class are undoubtedly those which require the elasticity of treatment which, as pointed out by the former chairman, the Hon. A. G. Blair, the Act is

framed to permit.

The town tariff points are the same now as they were twenty years ago; there has been no enlargement or additions. The solution of the matter is not to be found by the addition of the five points here applied for, as it may be assumed with some certainty that any additions directed would be followed by further similar applications and there are other non-town tariff points that furnish equal and greater tonnage than some of the points covered by the

present application.

There are no data at present available to the Board which would indicate the actual detriment existing, if any, under the present rate adjustment, and from the fact that the present rate situation is one that has existed for half a century, and the only complaint with regard thereto has been the one application in 1920 and the present application, it might be assumed that there has not been any great measure of hardship or detriment. Numerous towns from which the town tariff scale is not applicable have had very substantial industrial development, while, on the other hand, there has been a decline in industrial development in certain towns from which the town tariff scale is applicable. To measure the effect of any alleged detriment, it would be necessary to have detailed records of the traffic actually moving, showing points of origin and destination, and the actual differences in rates, when the extent of the differences could be determined.

In the previous judgment of the Board it is stated:

The discrimination might, of course, be rectified by abolishing the "town" tariffs, as such, in favour of a uniform class tariff everywhere within each territory of the various scales. There might be three ways of doing this; by raising the distributing scale to the level of the Standard, a step which would undoubtedly be strenuously opposed by the manufacturing and jobbing interests or by making the distributing scale the Standard, thus reducing what is now the Standard; or by a compromise between the two. Clearly, however, a system that in a lesser degree has been established for over half a century would demand very careful consideration.

A uniform class rate tariff for general application throughout the territory would seem the most desirable from an ideal rate standpoint, and it would, of course, remove all ground for alleged discrimination, but I do not consider any such revision should result in diminishing in the aggregate the revenues of the carriers, and this would involve both increases and reductions. It seems to me that all interests affected should have an opportunity of expressing their views on any such proposition before final action. It would require a most exhaustive and lengthy study of the rates and traffic movements and much data that are not available to the Board on this record, so as to approach, in the final adjustment, a parity with the present revenues of the carriers on this traffic. Further investigation might also reveal difficulties in the working out of a uniform adjustment along the lines suggested, having in mind the circumstances

surrounding the establishment of the present schedule "A" basis and its rela-

tionship to the question of international rates.

In my opinion, the present situation should not be changed until there is evidence of a more widespread demand for it, together with evidence showing clearly what detriment actually exists under the present rate situation and what real necessity there is for making the change.

Files 34123.3.2 and 34123.3.1

Submission of the Northern Canning Company, New Liskeard, Ont., and the New Liskeard Board of Trade, re rates on canned goods.

Submission of the Windsor Canning Company of St. Johns, Que., re rates on canned goods.

The submissions and applications in these two cases are so closely related

that they may properly be dealt with together.

The representations of the Northern Canning Company, supported by the New Liskeard Board of Trade, are covered by written submissions. In letter dated August 11, 1925, the Northern Canning Company, who pay fifth class rates on their shipments of canned goods in carloads, point out that their competitors in southern Ontario enjoy commodity rates lower than the class rates to Montreal and points east thereof. Competing in the same markets, the canning company state it is important that their rates be placed upon the same basis as other points, and they consequently apply for commodity rates " with the understanding that, in the event of the Board authorizing the cancellation of the present existing commodity rates, the rates from New Liskeard would get the same treatment." In supporting letter from the New Liskeard Board of Trade dated November 17, 1926, they ask for the establishment of commodity rates from New Liskeard "until a complete cancellation of all commodity rates is affected."

The Windsor Canning Company, St. Johns, Que., in letter dated August 18, 1925, point out that their competitors in Ontario enjoy commodity rates on canned goods to the large distributing centres, while from their plants at St. Johns and Napierville the class rates are charged and they have been refused commodity rates, consequently the Board is asked to direct the establishment of commodity rates from applicant's plants so as to remove the unjust discrimination against them. The matter was spoken to at sittings of the Board in Montreal on January 8, 1926. The question of unjust discrimination was raised by Mr. Windsor, Managing Director of the Windsor Canning Company, and the following discussion took place (Vol. 449, pp. 294-295):-

Mr. FLINTOFT: There are two ways of removing it. Either reduce Mr. Windsor's rates to the lower basis or bring the others up. We say the proper method is to bring the lower basis up.

Commissioner Boyce: That is, abolish the commodity rates.

The DEPUTY CHIEF COMMISSIONER: Are you satisfied with that?

Mr. Windson: No, I do not want to go against my confreres in Ontario. I submit that cannot goods should be moved as cheaply as possible. I would not want to go on record as saying that I want to cancel the commodity rates. All I say is that I want the same rates as they have.

Chairman Ransom, of the Canadian Freight Association, on behalf of the carriers, filed an exhibit of rates making various comparisons. The commodity ates are only in effect from Western Ontario points to Montreal, Ottawa and points east thereof, and to this territory, with the exception of Ottawa, the rates rom St. Johns, Que., are appreciably lower than from the western canning points. However, this is not particularly relevant, because the favourable geographical location of St. Johns produces this result, and it is, of course, entitled

to any benefits flowing from its favourable location with respect to the destination territory in question. A brief historical summary concerning these commodity rates seems necessary in order that their origin and the present rate

situation may be readily understood.

Canned fruits and vegetables, in carloads, are rated fifth class in the Canadian Freight Classification, and the normal rates thereon are consequently the fifth class tariff rates. For many years there have been in effect from canning points in Ontario to Montreal and points east, special commodity rates lower than the fifth class rates. These commodity rates appear to have originated with the canneries around the bay of Quinte, in competition with the St. Lawrence waterway, followed by accretions as canneries were established at other western Ontario points, with the object of maintaining all on some system of rate equality. These commodity rates to Montreal and Ottawa operated as maxima to intermediate direct line points. To points in the province of Quebec, outside of Montreal, the usual proportioned arbitraries were added to the special commodity rates to Ottawa and Montreal. To the Maritime Provinces the rates pivoted on the then most easterly canning point, Napance, whence the fifth class tariff rate was charged, and to this rate certain additions, lower than the fifth class rate difference, were made from canning points west thereof to St. John; other points in the Maritime Provinces taking the fifth class rate difference above the St. John rates. These rates were modified and increased under the judgment of the Board in the Eastern Rates Case in 1916, Vol. VI, Board's Judgments, Orders, Regulations and Rulings, p. 133 (reference to canned goods being found at p. 172). In that judgment it is stated, with regard to the rates authorized to St. John, which is the point upon which the rates to Maritime territory are built, that they "have no particular basis." The various percentage increases and decreases, to which rates generally have been subjected since 1916, have also applied to these special commodity rates. Effective April 14, 1924, the carriers published tariffs reducing all class rates between points in the Maritime Provinces and stations in Ontario. To St. John and Halifax, the reduction was a flat decrease approximating from five to six cents per 100 pounds, fifth class, from all Ontario points; to Sydney the reduction was approximately nine cents, fifth class. This reduction was made in class rates only, commodity rates remaining unchanged. The effect of this class rate reduction in 1924 was that the normal fifth class tariff rates, from canning points Hamilton and east to certain stations in Quebec and all points in the Maritime Provinces, became the same or lower than the special commodity rates, owing to the slight difference previously existing. From other canning points west or south of Hamilton, where the difference previously existing was greater, the commodity rates remained somewhat lower than the class rates to certain destination territory, although even from these points to some of the eastern territory the class rates became the same or lower than the commodity rates.

While, therefore, commodity rates formerly were in force from these Ontario canning points to all territory Montreal and east, material changes have been brought about under the circumstances above set out. Mr. Ransom's exhibit, already referred to, showed a comparison between the fifth class rate and the commodity rate, as existing in 1919 and at present, from typical shipping points to the principal centres Montreal and east as far as Sydney, N.S., and Tignish, P.E.I. In 1919 the fifth class rate in all cases exceeded the commodity rate. At present from Napanee and St. Catharines the commodity rate has been superseded by the class rate to stations Mont Joli, Que., and east. From Belleville, Bowmanville, Oshawa and Hamilton the commodity rate has been superseded by the class rate to stations Rivière-du-Loup and east. A comparison is given below in the case of Belleville, Oshawa, Hamilton and Windsor:—

FROM BELLEVILLE, ONTARIO

	October 18, 1919			Se	ptember	16, 1925	5
То	Comm.	5th class	of the class exceeds Comm.		5th class	5th class exceeds Comm. by	
Montreal, Que. Ottawa, Ont. Sherbrooke, Que. Quebec, Que. St. Louis, Que. Riviere-du-Loup, Que. Mont Joli, Que St. John, N.B. Halifax, N.S. Mulgrave, N.S. Sydney, N.S.	$\begin{array}{c} 24 \\ 24 \\ 32\frac{1}{2} \\ 34 \\ 37\frac{1}{2} \\ 40 \\ 43 \\ 44\frac{1}{2} \\ 46\frac{1}{2} \\ 49 \\ 52 \\ 54\frac{1}{2} \end{array}$	$\begin{array}{c} 29 \\ 24^{\frac{1}{2}} \\ 34^{\frac{1}{2}} \\ 36^{\frac{1}{2}} \\ 39 \\ 42 \\ 44^{\frac{1}{2}} \\ 47^{\frac{1}{2}} \\ 50^{\frac{1}{2}} \\ 53 \\ 56^{\frac{1}{2}} \end{array}$	$\begin{array}{c} 5 \\ \frac{1}{2} \\ 2 \\ \frac{1}{2} \\ \frac{1}{2} \\ 2 \\ 1 \\ \frac{1}{2} \\ 2 \\ 1 \\ 1 \\ 2 \\ 1 \\ 2 \\ 1 \\ 2 \\ 1 \\ 2 \\ 2$	$\begin{array}{c} 30 \\ 30 \\ 40\frac{1}{2} \\ 42\frac{1}{2} \\ 47 \\ 50 \\ 54 \\ 55\frac{1}{2} \\ 58 \\ 61\frac{1}{2} \\ 65 \\ 68 \\ \end{array}$	$\begin{array}{c} 36\frac{1}{2}\\ 30\frac{1}{2}\\ 43\\ 45\frac{1}{2}\\ 49\\ 50\\ 52\frac{1}{2}\\ 54\\ 55\frac{1}{2}\\ 58\\ 59\frac{1}{2}\\ 58\\ \end{array}$	6½ 12 2½ 2½ 3 2	$\begin{array}{c} 1^{\frac{1}{2}} \\ 1^{\frac{1}{2}} \\ 2^{\frac{1}{2}} \\ 5^{\frac{1}{2}} \\ 10 \end{array}$

FROM OSHAWA, ONTARIO

	Octo	ber 18,	1919	September 16, 1925			
То	Comm.	5th class	5th class exceeds Comm. by	Comm. 5th		class exceeds Comm.	Comm. rate exceeds 5th class by
Montreal, Que. Ottawa, Ont. Sherbrooke, Que. Quebec, Que. St. Louis, Que. St. Louis, Que. Mont Joli, Que. St. John, N.B. Halifax, N.S. Aulgrave, N.S. Sydney, N.S. Ignish, P.E.I.	$\begin{array}{c} 27\frac{1}{2} \\ 27\frac{1}{2} \\ 36\frac{1}{2} \\ 36\frac{1}{2} \\ 40 \\ 43 \\ 46\frac{1}{2} \\ 479 \\ 52 \\ 54\frac{1}{2} \\ 57 \end{array}$	33 29 39 40 43 $46\frac{1}{2}$ 49 $50\frac{1}{2}$ $57\frac{1}{2}$ $60\frac{1}{2}$	$\begin{array}{c} 5_{\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2}} \\ 2_{\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2}} \\ 2_{\frac{1}{2},\frac{1}{2},\frac{1}{2}} \\ 2_{\frac{1}{2},\frac{1}{2},\frac{1}{2}} \\ 3_{\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2}} \\ 3_{\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2},\frac{1}{2}} \\ 3_{\frac{1}{2},1$	$34\frac{1}{2}$ $34\frac{1}{2}$ $45\frac{1}{2}$ 47 50 54 58 $59\frac{1}{2}$ 65 68 $71\frac{1}{2}$	$\begin{array}{c} 41\frac{1}{2}\\ 36\frac{1}{2}\\ 49\\ 50\\ 54\\ 55\frac{1}{2}\\ 58\\ 59\frac{1}{2}\\ 61\frac{1}{2}\\ 63\\ 61\frac{1}{2}\\ \end{array}$	7	2½ 1½ 2 3½ 5

FROM HAMILTON, ONTARIO

	Octo	ober 18,	1919	September 16, 1925			
То	Comm.	5th class	5th class exceeds Comm. by	Comm.	5th class	5th class exceeds Comm. by	
ontreal, Que. ttawa, Ont. herbrooke, Que. uebec, Que. t. Louis, Que. iviere-du-Loup, Que. ont Joli, Que. t. John, N.B. alifax, N.S. ulgrave, N.S. ydney, N.S. gnish, P.E.I.	$\begin{array}{c} 29 \\ 29 \\ 37 \\ 39 \\ 42 \\ 44 \\ 1 \\ 49 \\ 50 \\ 2 \\ 53 \\ 56 \\ 2 \\ 59 \\ \end{array}$	$34^{\frac{1}{2}}$ 33 40 42 $44^{\frac{1}{2}}$ $47^{\frac{1}{2}}$ $50^{\frac{1}{2}}$ 52 53 $56^{\frac{1}{2}}$ 59	51/2 4 . 1/2 3 2 1/2 3 3 2 2 1/2 1/2 2 3 3 2 2 1/2 1/2 2 3 3 3 2 2 1/2 1/2 2 3 3 3 3 2 2 1/2 1/2 2 3 3 3 3 3 3 1/2 1/2 1/2 2 3 3 3 3 3 3 1/2 1/2 1/2 1/2 2 3 3 3 3 3 3 3 1/2 1/2 1/2 1/2 1/2 1/2 1/2 1/2 1/2 1/2	$36\frac{1}{2}$ $36\frac{1}{2}$ 47 49 $52\frac{1}{2}$ $55\frac{1}{2}$ $61\frac{1}{2}$ 63 $66\frac{1}{2}$ $70\frac{1}{2}$	$\begin{array}{c} 43 \\ 41\frac{1}{2} \\ 50 \\ 52\frac{1}{2} \\ 55\frac{1}{2} \\ 55\frac{1}{2} \\ 55\frac{1}{2} \\ 63 \\ 65 \\ 63 \end{array}$	6½ 5 3 3½ 3 3½	12 2 12 12 12 12 12 11

FROM WINDSOR, ONTARIO

	Octo	ber 18,	1919	S	eptembe	r 16, 192	5
То	Comm. 5th class exceeds Comm. by			Comm.	5th class	5th class exceeds Comm. by	Comm. rate exceeds 5th class by
Montreal, Que Ottawa, Ont. Sherbrooke, Que Quebec, Que St. Louis, Que Riviere-du-Loup, Que Mont Joli, Que St. John, N.B. Halifax, N.S. Mulgrave, N.S. Sydney, N.S. Tignish, P.E.I.	$ \begin{array}{c} 49 \\ 52 \\ 53 \\ 54\frac{1}{2} \\ 57\frac{1}{2} \\ 60\frac{1}{2} \end{array} $	$\begin{array}{c} 43 \\ 42 \\ 49 \\ 50\frac{1}{2} \\ 53 \\ 56\frac{1}{2} \\ 59 \\ 60\frac{1}{2} \\ 62 \\ 65 \\ 67\frac{1}{2} \\ 70\frac{1}{2} \end{array}$	$\begin{array}{c} 875 \\ 56 \\ \hline 671 \\ \hline 77 \\ \hline 7 $	$\begin{array}{c} 44\\ 44\\ 44\\ 55\\ 56\\ 1\\ 61\\ 2\\ 65\\ 66\\ 68\\ 72\\ 75\\ 1\\ 2\\ 79\\ \end{array}$	$\begin{array}{c} 54 \\ 52\frac{1}{2} \\ 61\frac{1}{2} \\ 63 \\ 666\frac{1}{2} \\ 668 \\ 70\frac{1}{2} \\ 72 \\ 74 \\ 75\frac{1}{2} \\ 74 \end{array}$	10 8 (2) (2) (3) (3) (6) (6) (6) (1) (2) (5) (5) (6) (1) (2) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	

There is also on file a communication from the Eastern Canadian Preserved Foods Traffic Association, dated March 3, 1926, in which reference is made to the application of the carriers to the Board in 1919 for authority to cancel the commodity rates and permit the class rates to apply. As will be noted, from what is above set out, the commodity rates had a considerably wider application in 1919 than they have at present. No decision was rendered by the Board in that case and this association submits that no order should issue with respect thereto at this time.

Since that case was heard the railways have refused to establish commodity rates from new canning points in a number of cases, with the result that there is now before the Board the complaints of the Northern Canning

Company and the Windsor Canning Company.

Canned goods, in carloads, are also being shipped from Chesterville and Brockville to destinations Montreal and east at class rates. There is, therejore, now the anomalous situation that some shipping points are paying class rates; others enjoy commodity rates. There is the further anomaly that while commodity rates lower than the class rates apply to Montreal and certain Quebec destinations east thereof; to still further distant destination territory in Quebec and the Maritime Provinces the full 5th class tariff rate applies from canning points Hamilton and east, while from canning points west and south of Hamilton there is no uniformity, the class rates applying in some cases and commodity rates in others. In this connection it may be pointed out that for the longer hauls, all-rail, from Eastern Canadian canning points to stations in Western Canada, the 5th-class tariff rates apply. All movements of canned goods from canning points in Quebec pay class rates. The class rates apply for all movements between points in the province of Ontario, except that eastbound the Montreal-Ottawa commodity rates apply as maxima. To destination territory, with Montreal and Ottawa as the western boundary, and extending east to approximately Quebec city, commodity rates apply from nearly all the canning points in Ontario; class rates apply from Quebec canning points to this territory. East of Quebec city and to all points in the Maritime Provinces class rates apply from canning points Hamilton and east; from canning points south or west of Hamilton the class rates apply to some of the destination points in this territory while in other cases commodity rates apply. When the same traffic carried through Montreal and on to the Maritime Provinces pays class rates, there would seem to be no very good reason why the class rates should not apply to Montreal. The various rate changes have resulted in the wiping out of a great many of the commodity rates, and where the latter still

remain there is no uniformity in their application and discriminations exist. In my opinion, the carriers should be authorized to cancel what commodity rates remain, placing the whole of this traffic on a class rate basis. I anticipate this may result in a complaint from certain canning points alleging the necessity for commodity rates to Montreal on account of competition with foreign importations of canned goods, but any such complaint, if made, can best be dealt with separately; there are no data on the record here that would enable the Board to form any opinion as to this.

File 34123.3.3

Complaint of Quality Canners of Canada, Ltd., Windsor, Ont., re alleged discrimination against the county of Essex in the matter of freight rates on Canned Fruits and Vegetables to various Canadian consuming centres.

Heard at Windsor, Ont., January 12, 1926.

This complaint alleges that there is an unjust discrimination against the county of Essex in the matter of freight rates on canned fruits and vegetables to various Canadian consuming centres. As developed by complainants, it requires to be dealt with under different headings.

With respect to consuming centres in the Maritime Provinces, it is alleged that a handicap has been placed against Essex county "through discriminatory freight rates, brought about by the various changes in rates which have been put in effect from time to time in favour of other producing centres, without corresponding reductions or changes in rates applying from points in Essex county." Changes in rates effective April 14, 1924, are specifically referred to. The statement of complainants, above quoted, that changes in rates were made from other producing centres without corresponding changes from points in Essex county, is illusory. In order to obtain a proper perspective of the rate

situation, a brief historical summary seems necessary.

Canned fruits and vegetables, in carloads, are rated 5th class in the Canadian Freight Classification, and the normal rates thereon are consequently the 5th class tariff rates. For many years there have been in effect from canning points in Ontario to Montreal and points east, special commodity rates lower than the 5th class rates. These commodity rates appear to have originated with the canneries around the Bay of Quinte, in competition with the St. Lawrence waterway, followed by accretions as cannerics were established at other western Ontario points, with the object of maintaining all on some system of rate equality. These commodity rates to Montreal and Ottawa operated as maxima to intermediate direct line points. To points in the province of Quebec, outside of Montreal, the usual proportioned arbitraries were added to the special commodity rates to Ottawa and Montreal. To the Maritime Provinces the rates pivoted on the then most easterly canning point, Napance, whence the 5th class tariff rate was charged, and to this rate certain additions, lower than the 5th class rate difference, were made from canning points west thereof to St. John; other points in the Maritime Provinces taking the 5th class rate difference above the St. John rates. These rates were modified and increased under the judgment of the Board in the Eastern Rates case in 1916, Vol. VI, Board's Judgments, Orders, Regulations and Rulings, p. 133 (reference to canned goods being found at p. 172). In that judgment it is stated, with regard to the rates authorized to St. John, which is the point upon which the rates to maritime territory are built, that they "have no particular basis". The various percentage increases and decreases, to which rates generally have been subjected since 1916, have also applied to these special commodity rates. The situation as existing prior to April 14, 1924, was, therefore, that from canning points east of Toronto 62863-22

the special commodity rates to Maritime Provinces were slightly lower than 5th class tariff rates, while from the canning points in western Ontario and Essex county the commodity rates represented a greater spread, or reduction, under the 5th class rates, than from points east of Toronto. Effective April 14, 1924, the carriers published tariffs reducing all class rates between points in the Maritime Provinces and stations in Ontario. To St. John and Halifax, the reduction was a flat decrease approximating from 5 to 6 cents per 100 pounds. 5th class, from all Ontario points; to Sydney the reduction was approximately 9 cents, 5th class. This reduction was made in class rates only, commodity rates remaining unchanged. The effect of this class rate reduction in 1924 was that the normal 5th class tariff rates, from canning points Hamilton and east to certain stations in Quebec and all points in the Maritime Provinces, became the same or lower than the special commodity rates, owing to the slight difference previously existing. From other canning points, west or south of Hamilton, where the difference previously existing was greater, the commodity rates remained somewhat lower than the class rates to certain destination territory, although even from these points to some of the eastern territory the class rates became the same or lower than the commodity rates. This is illustrated by taking typical shipping points, as follows:—

FROM

A AMERICAN PROPERTY AND ADDRESS OF THE PARTY A										
То	Nia Fa	gara ills	Sim	coe	Aylmer London			don	Windsor	
	Com. Rate	5th class	Com. Rate	5th class	Com. Rate	5th class	Com. Rate	5th class	Com. Rate	5th class
Plaster Rock, N.B. Ldmundston, N.B. St. Leonards, N.B. Woodstock, N.B. Cottrell, N.B. St. Andrews, N.B. St. Stephen, N.B. Fredericton, N.B. McAdam, N.B. St. John, N.B.	61½	61½	63	65	63	66½	63	$66\frac{1}{2}$	661	70½
Riviere-du-Loup, Que	$55\frac{1}{2}$ $59\frac{1}{2}$ $61\frac{1}{2}$	58 59½ *58	58 61½ 63	51½ 63 *61½	611	63 65 63	58 61½ 63	63 65 63	$\begin{array}{c} 61\frac{1}{2} \\ 65 \\ 66\frac{1}{2} \end{array}$	$ \begin{array}{r} 66\frac{1}{2} \\ 68 \\ 66\frac{1}{2} \end{array} $
Chipman, N.B. Campbellton, N.B. Bathurst, N.B. Moneton, N.B. Sackville, N.B.	61½	61½	63	65	63	661	63	661	661	702
Amherst, N.S., Londonderry, N.S., Truro, N.S., Halifax, N.S., New Glasgow, N.S.,	63	63	65	66½	65	68	65	68	68	72
Trenton, N.S. Tracadie, N.S. Mulgrave, N.S.	661	*65	68	68	68	70½	68	70½	72	74
Point Tupper, N.S. Iona, N.S. North Sydney, N.S.	701	*66½	72	*70½	72	72	72	72	75½	75;
Sydney, N.S Tignish, P.E.I.	} 74	*65	75	*68	75	*701	75	*701	79	*74
St. Eleanor, P.E.I. Summerside, P.E.I. Charlottetown, P.F.I.	15	F63	68	*661	68	68	68	68	72	72
Mount Herbert, P.E.I. Tracadie, P.E.I. Bear River, P.E.I. Elmira, P.I.I. St. P. P. Comp.	74	*65	75	*68	75	*701	75	*70½	79	*74
St. Rose, Que St. Therese, Que Lachute, Que Grenville, Que Montebello, Que Buckingham, Que Angers, Que	} 46½	*451	491	*49	50	50	50	50	53	54

^{* 5}th Class lower than Commodity rate.

The class rates have, from time to time, been subjected to changes, both increases and decreases, but the change has been made from all points; the same is true of the special commodity rates, so that any suggestion that changes in rates "have been put in effect from time to time in favour of other producing centres without corresponding reductions or changes in rates applying from points in Essex County" is not a correct statement of the facts.

Complainants made comparisons as between Essex County and Bowmanville

with respect to shipments to St. John, N.B. Their submission states:-Prior to April 14, 1924, the movement of canned fruits and vegetables from producing

points in Ontario to the consuming centres in the eastern provinces of Canada was govpoints in Ontario to the consuming centres in the eastern provinces of Canada was governed by commodity rates on carload shipments with a minimum weight of 40,000 pounds per car. The said rate from points in Essex County to St. John, N.B., is 66½ cents per 100 pounds or \$266 per minimum carload shipment, in comparison with 59½ cents per 100 pounds from Bowmanville, Ontario, to St. John, N.B., or \$238 per minimum carload, an advantage to Bowmanville, owing to geographical position, of \$28 per carload shipment. Prior to April 14, 1924, the fifth class rate, which applies on shipments of Canned Foods in minimum carloads of only 24,000 pounds, was 61½ cents from Bowmanville, Ontario, to St. John, N.B., as compared to the commodity rate on 40,000 pound carloads of 59½ cents per 100 pounds; therefore all shipments were made in 40,000 pound carloads at the lower rate. On the above mentioned date, however, a reduction was made in the class cents per 100 pounds; therefore all shipments were made in 40,000 pound carloads at the lower rate. On the above mentioned date, however, a reduction was made in the class rates whereby the rate from Bowmanville, Ontario, to St. John, N.B., for example, was changed from 61½ cents to 55½ cents per 100 pounds on shipments of only 24,000 pounds, thus making the total cost for a minimum carload shipment \$133.20, whereas the commodity rate of 66½ cents per 100 pounds on 40,000 pounds carloads is still the lowest rate effective from points in Essex County, with cost per carload of \$266, or a differential in favour of Bowmanville and against Essex County of \$132.80 per carload shipment, owing to the change in the class rate, as compared with the differential of only \$28 per carload prior to April 14, 1924, when the commodity rates were the lowest rates in effect. prior to April 14, 1924, when the commodity rates were the lowest rates in effect.

The difference in carload minimum earnings, under the commodity rates, should read \$30 instead of \$28 as stated by complainants, made up as follows:-

From Windsor, $40,000$ lbs. at $66\frac{1}{2}$ cts. per From Bowmanville, $40,000$ lbs. at 59 cts	r 100 lbs. equalss. per 100 lbs. equals	\$ 266 00 236 00
Difference		0.00.00
		\$ 30 00

Complainants state this differential in favour of Bowmanville has been increased to \$132.80 per carload, but this figure is arrived at by comparing unequal carload quantities. A fair comparison, under the present rates, is given below:-

1st. If a cac of 24,000 lbs. is shipped: From Windsor (rate $70\frac{1}{2}$ cts.)	169 133	20 20
Difference\$	36	
2nd. If a car of 40.000 lbs. is shipped: From Windsor, (rate $66\frac{1}{2}$ cts.)	266 222	00
	44	

Examples of alleged discrimination were given by complainants as folows:-

Essex county (Windsor) to St. John Bowmanville to Halifax Trenton and Belleville to Sydney. Essex county (Windsor) to St. John.	1,051	$66\frac{1}{2}$ cts. 58 cts.
and county (windsor) to St. John	1,047	$66\frac{1}{2}$ cts.

The rates here under consideration are built up on a system of grouping f destination territory by the addition of arbitraries over the St. John rate, nd mere mileage comparisons in connection with rates so constructed, are, 62863 -- 221

therefore, not conclusive, and especially is this the case where different points of origin and different points of destination are used as the basis for comparison. Practically similar comparison to that here given by complainants might have been made at any time during the many years these commodity rates have been in force. To make a proper comparison, the same destination points require to be taken. The following comparison is given in exhibit No. 2 filed by complainants with their written submission of August 13, 1925:—

	Miles	To St. John				
From		Male alasa	Com.	Per ton per mile		
		5th class, rate	rate	5th class	Com.	
		cts.	cts.	cts.	ets.	
Windsor Bowmanville	1,047 773	70½ 55½	$\frac{66\frac{1}{2}}{59}$	1·34 1·43	1·27 1·52	

There is a slight error in mileages given by complainants, the correct figures being, from Windsor 1,033 miles and from Bowmanville 765 miles, but this would not affect the comparative relationship of the rate per ton per mile. It will be observed that the rate from Windsor produces a lower earning per ton per mile than the rate from Bowmanville, indicating a tapering of the rate for the longer mileage. Reference has already been made to the rates beyond St. John in the Maritime Provinces, being built up on a group system by the addition of arbitraries, which results in a diminishing mileage influence. This is illustrated by the following comparison:—

73	m	34.11	Rate		
From	То	Miles	5th class	Com.	
-			cts.	cts.	
Windsor	St. John	1,033 1,312 1,465	$ \begin{array}{c} 70\frac{1}{2} \\ 72 \\ 75\frac{1}{2} \end{array} $	$66\frac{1}{2}$ 68 $75\frac{1}{2}$	
Bowmanville	St. John Halifax Sydney	765 1,044 1,197	55½ 58 61½	59 60 67½	

It will be observed that the 5th class rate from Windsor to St. John, 1,033 miles, is 70½ cents, and to Halifax, 279 miles further, it is increased by 1½ cents, and to Sydney, 432 miles further, it is increased 5 cents. From Bowman-ville to Halifax the 5th class rate is 2½ cents over St. John, and to Sydney 6 cents over, for corresponding increases in mileage. A similar comparison to that given in complainants exhibit No. 2, above mentioned, taking Halifax as a point of destination and Trenton and Windsor as shipping points, is given below: —

	Wiles	To Halifax				
From	Miles	F.1 1	61	Per ton	per mile	
		5th class	Com.	5th class	Com.	
		ets.	ets.	ets.	ets.	
Trenton. Windsor.	982 1,312	55½ 72	58 68	1·13 1·09	1·18 1·03	

No discrimination is apparent as between Windsor and Bowmanville or other shipping points, as far as relates to the arbitraries added to the St. John rate to points beyond, similar rate treatment being accorded all shipping points in this respect. Similarly, to St. John proper, which is the pivotal point, unjust discrimination against Windsor as compared with other shipping points, having in mind class rate differences and distance, is not indicated. Measured by the class rate spread, which would be applicable in the absence of special commodity rates, it might be argued that Windsor enjoyed a favourable rate adjustment.

Complainants claim that the spread formerly existing between Windsor and points east of Toronto, under the commodity rates, enabled them to compete successfully with other canning points for business in the Maritime Provinces, and that the widening of the spread now prevents competition. They did not, however, produce any evidence showing what detriment to their business had resulted from changes in the rates. When an argument is advanced, based on asserted detriment to business resulting from changes in rates, some concrete evidence in support thereof should be furnished. It is not sufficient proof to merely point to the changes in rates. It was for this reason that, at the hearing of this case at Windsor, the Board requested complainants to furnish a detailed statement showing their carload shipments to destinations Quebec and eastward for the last four or five years, which was promised. This statement was never furnished.

TI

Complainants submitted that if, on account of its geographical position, higher rates were justified from Essex county to eastern Canadian points, the shippers of Essex county were entitled to the advantage of their geographical position and shorter mileage via United States routing to points in Western Canada, by the granting of lower rates than are applicable from other points in Ontario to Western Canada. Complainants stated that:—

only secure the exclusive benefit of the markets of the Eastern Provinces through lower freight rates, but are permitted to ship via longer mileage hauls to Western Canada at exactly the same rate of freight as applies via the short haul from Essex county points to Western Canada. For example:—

Windsor to Winnipeg via U.S.A. routing is 1,199 miles. Windsor to Winnipeg via Canadian routing is 1,459 miles. Deseronto to Winnipeg via Canadian routing is 1,357 miles. Belleville to Winnipeg via Canadian routing is 1,341 miles. St. Catharines to Winnipeg via Canadian routing is 1,346 miles. Niagara Falls to Winnipeg via Canadian routing is 1,357 miles.

Mileages given by complainants are incorrect. The proper short line mileages should be:—

Windsor to Winnipeg via U.S. routing, 1,149 miles. Windsor to Winnipeg via Canadian routing, 1,415 miles. Deseronto to Winnipeg via Canadian routing, 1,275 miles. Belleville to Winnipeg via Canadian routing, 1,255 miles. St. Catharines to Winnipeg via Canadian routing, 1,272 miles. Niagara Falls to Winnipeg via Canadian routing, 1,285 miles.

No commodity rates are in force from Eastern Canadian points to stations in Western Canada applying on canned goods moving all-rail. The 5th-class tariff rates apply on carload shipments. While the complaint covers only canned goods, it is obvious that whatever principle is found to be properly applicable

on this traffic would have to be extended to all other classes of traffic moving under class rate tariffs; on the grounds set out by complainants, a different principle could not consistently apply on canned goods than on traffic generally. Practically the same contention as here advanced by complainants was brought before the Board in 1912, in the application of the Dominion Sugar Co., Ltd., for readjustment of rates on sugar, in carloads, from Wallaceburg, Ont., to Winnipeg and other Manitoba points. This application was dismissed and the judgment of the Board in the matter is to be found in Vol 1, Board's Printed Judgments, Orders, Regulations and Rulings, p. 507. The following excerpt from this judgment is particularly relevant here:-

The consideration of the attack upon the existing rate basis requires some attention to be given to the geographical situation of Wallaceburg, since it is contended that the existing rate basis does not take due cognizance of the geographical advantages possessed by Wallaceburg. Wallaceburg is located 542 miles west of Montreal. At present, the rate on refined sugar from Montreal to Winnipeg over the Canadian lines is the same as from Wallaceburg to Winnipeg, viz., 71 cents per hundred pounds in car lots. When the short line rail mileages are taken, it appears that from Montreal to Winnipeg is 1,420 miles, while from Wallaceburg to Winnipeg is 1,429 miles. By way of lines through the territory of the United States, the distance by way of Sarnia, Manitowoc, and Duluth to Winnipeg is 1,028 miles, which is made up as follows:—

Pere Marquette to Manitowoc, 319 miles.

Soo Line to Duluth, 331 miles. Duluth, Missabe and Northern and Canadian Northern to Winnipeg, 378 miles.

On shipments to points in the Northwest, the Canadian lines blanket the territory from Montreal to the Detroit and St. Clair rivers.

. . . It is, therefore, an established practice to give over a territory extending over 500 miles west from Montreal a blanket rate to points in the Canadian Northwest.

As has been indicated, Wallaceburg is 542 miles west of Montreal. Furthermore, it is by rail connections through United States territory 392 miles nearer Winnipeg than is Montreal. As to the allegation that Wallaceburg has certain geographical advantages, it is apparent that in regard to its proximity to the lakes, as well as to its mileage through the United States to Winnipeg, it does possess certain geographical advantages. Without developing the point, it may be recognized that in respect of water-borne transportation and the competition arising in connection therewith, Montreal also has geographical advantages. As, however, Montreal was not heard in the present case, it is unnecessary to attempt to estimate the comparative value of the water advantages possessed by the two points.

In so far as the advantage of rail situation is concerned, the Board must take coguzance not only of the rail mileage through United States territory, but also of the actual route which must be traversed by rail in Canada. The Board must recognize the existing rail conditions in Canada as it finds them, and it therefore appears that while Wallaceburg is over 500 miles west of Montreal, it is as a matter of fact 9 miles farther from Winnipeg by the Canadian route than is Montreal. For all practical purposes, they may from the standpoint of Canadian railway mileage be regarded as equi-distant from Winnipeg.

The blanketing of a territory extending for 500 miles west of Montreal is above referred to. This situation was reviewed by the Board in re Freight Tolls, 1922, Vol. XII, Board's printed Judgments, Orders, Regulations and Rulings, p. 61, and at p. 69 the Board stated:-

With reference to rates between Eastern Canada and points west of Fort William, a different situation is found to exist. Instead of territorial groupings in Ontario, as in the case of the rates between Ontario and the Maritime Provinces, the rates are blanketed to and from the whole territory Montreal to Windsor and Samia, inclusive, Sudbury to Niagara Falls, all intermediate points and all lateral lines. The reason is apparent—the water lines operate from Montreal, calling at intermediate points to Sarnia, at a common rate to the head of the lakes, while the westernmost points, such as Sarnia and Windsor, can reach St. Paul and thence Western Canadian points with a short mileage via Chicago. From and to points east of Montreal it has been the practice to add an arbitrary to the Montreal rate. Montreal, through its geographical situation at the head of ocean navigation and as the terminal of the western river and lake routes, is a natural

breaking point. This group with its blanket rate takes in a large area—Montreal to Windsor, 555 miles—Montreal to Sudbury, 444 miles—Niagara Falls to Sudbury, 337 miles—Windsor to Sudbury, 480 miles. The distance from Montreal, the most easterly point, to Fort William, the head of lake navigation and the rate breaking terminal between Eastern and Western Canada, is 997 miles. From Windsor, the most westerly point, the distance is 1,032 miles.

The Board further stated in its judgment "the blanket rate covering this territory is justified by the governing conditions outlined." As stated by the Board, recognition must be given to the existing rail conditions in Canada and of the actual route which must be traversed by rail in Canada. By the route traversed by the Canadian rail lines, the haul from Windsor is in excess of that from other Canadian shipping points within the same blanket territory, examples being:—

Windsor to Winnipeg, 1,415 miles. Montreal to Winnipeg, 1,355 miles. Deseronto to Winnipeg, 1,275 miles. Belleville to Winnipeg, 1,255 miles. Toronto to Winnipeg, 1,208 miles. Hamilton to Winnipeg, 1,246 miles. Niagara Falls to Winnipeg, 1,283 miles. London to Winnipeg, 1,305 miles.

The granting of complainants' request would not only precipitate complaints from other shipping points with shorter mileage to Western Canadian points, but involve a tearing down of the present rate structure between Eastern and Western Canadian points. The present adjustment has been found equitable by the Board, and that it is generally satisfactory is evidenced by the absence of any other complaints having been received concerning it. No unjust discrimination as against Windsor or shipping points in Essex county exists, and the Board would not be warranted in disturbing the present situation on the record before it.

III

In addition to the all-rail rates, reference was also made to the rail and water and all-water rates from Ontario to Western Canadian points. The rail and water rates on canned goods, at the time this case was heard, were based on a uniform reduction of 6 cents less than the all-rail rates, so that the same general blanketing arrangement is seen to exist here. Complainants refer to an all-rail rate to the head of the lakes of 57 cents, rail and water 51 cents. and all-water 47 cents. The first two figures are not the published rates, but represent the proportion applying east of the head of the lakes on the through rates. The all-water rate is that charged by the boat lines from water ports of call and is not within the jurisdiction of the Board. It was stated that the water lines were also taking, at the 47 cent rate, shipments from nearby inland points such as Grimsby, Beamsville, Vineland, and St. Catharines, and absorbing out of their carnings, the cost of the rail haul from the inland points to the lake port, and it appears from complainants' representations that a similar absorption was not made by the boat lines with respect to their traffic from points in Essex county. It was suggested that the division between the boat lines and the rail carriers of the through rail and water rate was too generous to the boat lines, thus enabling them to grant concessions to producers in cerain districts, and it was submitted that "the railroads should accordingly share the responsibility for the discriminations which result therefrom, and be obliged to take such steps as may be necessary to rectify the unfair situation arising

therefrom." The action of the boat lines in absorbing the rail charge from nearby inland points to lake ports deprives the rail carriers of their long haul on this traffic, and it is surely obvious that the railway companies do not view with complacency the loss of this traffic. The Board has held:—

Division of a through toll as between connecting carriers on hauls over two or more lines is a matter of domestic concern, and so long as a through toll is not unreasonable it does not matter to the public how it is divided. West Virginia Pulp and Paper Company, Vol. VIII, Board's Printed Judgments, Orders, Regulations and Rulings, p. 28.

However, it is not apparent that the action suggested by complainants would supply a remedy. Some of the boats operating have no connection whatever with the rail lines; that is to say, they do not participate with the rail carriers in the rail and water movement. They operate direct from the lake ports to the head of the lakes, and not only take such traffic as they can secure at these lake ports, but also handle traffic from nearby inland points, which is carried to the lake port by motor truck or rail. There is a boat line known as the Tree Line operating in this territory, and they are handling a considerable proportion of the canned goods that are moving all-water to the head of the lakes. I am informed they are sending their trucks back into the interior, but the extent of the trucking or the amount they are absorbing is not known. With the evident object of endeavouring to meet this competition, it is noted that effective April 22, 1927, the carriers issued a tariff naming a special competitive rail and water rate of 41 cents per 100 pounds on canned fruits and vegetables. in carloads, from stations in Ontario to Fort William and Port Arthur, applicable on traffic destined beyond. This, of course, applies from Essex county points and makes their through rate to Winnipeg 98 cents per 100 pounds, which is 10 cents less than the former rail and water rate of \$1.08, and 6 cents iess than the rate all-water of \$1.04, to which complainants referred as being applicable from the lake ports, and certain inland points through the absorption alluded to.

IV

Complainants cited certain rates from United States points, namely, Canton. Obio, and Pittsburgh, Pa., to Winnipeg, and from Baltimore, Md., to Quebec, and made mileage comparisons with Windsor. They also refer to an all-water rate from California points to St. John and Halifax. Mere mileage comparisons of this character are of little probative force, because comparison is made between rates constructed under entirely different conditions. These international rates are governed by a different classification and rate structure from that existing within Canada. With respect to the movement from Canton and Pittsburg to Winnipeg, with distances as cited by complainants, of 1,313 and 1.321 miles respectively, only approximately 66 miles of the haul is within Canadian territory under this Board's jurisdiction. No evidence was adduced or allegation made that cannot goods are actually moving from these United States points to destinations indicated; the rates are merely the class rates that apply on any traffic taking the same class in the governing United States classification. Before any showing of unjust discrimination could be predicted on any such comparisons, it would be necessary to have evidence showing whether complainants are in any way detrimentally affected thereby.

V

It was further alleged by complainants that unjust discrimination against them, in the matter of rates, has resulted from the establishment of the com-

modity rates at present in effect from British Columbia canning points to Western Canadian destinations. They stated:—

We further respectfully beg to draw the attention of your Honourable Board to the fact that further undue discrimination has resulted against the producers of Essex County owing to the changes in freight rates on canned foods from British Columbia producing points to the Prairie Provinces, which were made effective under date of March 19, 1924. For example, the fifth class rate on canned foods from Nelson, B.C. to Winnipeg, Manitoba, is \$1.92 per 100 pounds (on minimum carloads of 24.000 pounds) as compared with the fifth class all rail rate from Essex County to Winnipeg of \$1.14 per 100 pounds. However, under date of March 19, 1924, special commodity rates were put into effect whereby on shipments of 40,000 pounds the rate from Nelson to Winnipeg was made \$1.10 per 100 pounds and on shipments of 60,000 pounds the rate was reduced to 98 cents per 100 pounds, whereas no change has been made in the rates from Essex County points, consequently Nelson, B.C., can now land its products in Winnipeg, Man., at 98 cents per 100 pounds, as compared with \$1.14 all rail or \$1.08 lake and rail from Essex County to Winnipeg, whereas prior to the British Columbia reduction made effective in March, 1924, the rate to Winnipeg was lower from Essex County than from Nelson, B.C. The same comparative difference applies on shipments from all British Columbia producing points to the various consuming markets of the Prairie Provinces, so that by concessions in freight rates granted in March, 1924, to the B.C. producing centres on shipments to the Prairie Provinces, a severe handicap was placed against the producers of Essex county.

Complainants state the fifth class rate from Nelson to Winnipeg is \$1.92 per 100 pounds. This is incorrect, as the fifth class rate is \$1.56 per 100 pounds. Taking the example cited by complainants the present rate situation is:—

	To Winnipeg							
From	Miles	C.L. Min. 24,000 lbs.	Rate per ton per mile	C.L. Min. 40,000 lbs.	Rate per ton per mile	C.L. Min. 60,000 lbs.	Rate per ton per mile	
		c.per 100 lbs.	cts.	c.per100lbs.	cts.	c.per 100 lbs.	ets.	
Nelson	1,091 1,415 A.R. R. & W.	132 114 98	2·42 1·61 1·38	110		98		

A.R.-All rail.

R. & W.-Rail and water.

The matter of rates on canned goods, in carloads, from British Columbia canning points to distributing centres in Alberta, Saskatchewan, and Manitoba, is compared with rates from Eastern Canadian points to the same destinations, was before the Board and carefully considered in the application of Mr. J. C. Hodgson, Chairman, Transportation Committee, Jam Section, Canadian Manuacturers' Association, and it is very fully gone into in the judgment of the Board dated June 11, 1925, Vol. XV, Board's printed Judgments, Orders, Legulations and Rulings, p. 162. The Board found that it was not shown that here was unjust discrimination or undue preference, and there is nothing on the resent record that would warrant any change in the considered judgment of the Board at that time. In this connection attention may be directed to the act that the rail and water rates from Eastern Canadian canning points are 0 cents lower than those existing in 1925, when this judgment was written.

VI

Complainants requested that the Board direct

the establishment of a policy of freight rates similar to that which is in effect throught the United States, and which permits of reasonable competition at all the principal maximing or distributing centres throughout their country in marketing the products of riculture from the various producing centres in the Union, which policy has succeeded preventing the possibility of discrimination against any particular producing centre or strict.

In this connection complainants filed exhibit No. 4 reading as follows:—
EXHIBIT No. 4

UNITED STATES CLASS AND COMMODITY RATES—TARIFF REFERENCES

From	То	Mileage	5th class freight rate	Tariff reference
Rochelle, Ill	Chicago, Ill	75 99 138	c. per 100 lbs. 17½ 19 22	C.F.A. 231A. C.F.A. 231A. C.F.A. 231A.
Sturgeon Bay, Wis	Chicago, Ill	271 237	Commodity freight rate 17 17	Soo Line. G.F.D. 32500.
Arlington, MinnLeSuer, MinnWadena, Minn.	Minneapolis, Minn Minneapolis, Minn Minneapolis, Minn	54 72 162	5th class freight rate 13½ 16 25	Nor. Pac. M.R.C. 879. M.R.C. 879.
Cobly, Wis	Minneapolis, Minn Minneapolis, Minn	160 255	Commodity freight rate 14 22	Soo Line. G.F.D. 32500
Holland, Mich	Detroit, Mich Detroit, Mich Detroit, Mich	301 257 382	$\begin{array}{c} 5 th \ class \\ freight \ rate \\ 25 \\ 27 \\ 31 \\ 23\frac{1}{2} \\ 28\frac{1}{2} \\ 34\frac{1}{2} \\ \end{array}$	C.F.A. 224. C.F.A. 224. C.F.A. 224. C.F.A. 223. C.F.A. 231A. C.F.A. 224.
Kewaunee, Wis Sturgeon Bay, Wis. Theresa, Wis. Peoria, Ill. Bloomington, Ill. Alexander, Ill. Clay City, Ind. Elnora, Ind.	Milwaukee, Wis. Milwaukee, Wis. E. St. Louis, Ill. E. St. Louis, Ill. Terre Haute, Ind.	186 49 179 156 111 25	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Soo Line. G.F.D. 32500. (C.F.A. 256B Class). (B/4 525M Comm.). (C.F.A. 256B). (C.F.A. 223 Class).

The complainants state the rate comparisons given in this exhibit demonstrate that it is the policy in the United States to make commodity rates to enable different producing sections to compete with one another in reaching various consuming centres on an approximately equalized freight cost. The exhibit does not, on its face, bear out this contention, and unfortunately, this phase of the matter was not very fully developed on the record. The exhibit contains numerous errors in mileages. There is shown below the mileage given on the exhibit and the correct figure, the latter being the rate basing mileage on which the 5th class rates named are constructed.

From	То	Com- plainants' figure	Correct figure
Algoma. Kewaunee Sturgeon Bay. Peoria. Bloomington.	Minneapolis Detroit Detroit Detroit Detroit Detroit Milwaukee Milwaukee East St. Louis East St. Louis	301 257 382 537 251 186 179 156	257 149 216 291 167 299 352 115 172 163 152 93 46

The carriers pointed out that in this exhibit movements from stations in Central Freight Association territory to Chicago were compared with movements from Western Trunk Line territory to Chicago, and they stated that, generally speaking, all rates on canned goods in Central Freight Association territory are on the class rate basis, while from Western Trunk Line points the western roads have published some very subnormal rates. The class rates applying in Central Freight Association territory are graduated, increasing with additional mileage, and there is no recognition of an equalized freight rate which ignores mileage. With the meagre information before the Board a conclusive opinion as to the value, if any, of the comparisons, as supporting complainants' contention of United States policy, is precluded. It is not shown whether or not the various stations are points from which canned goods are moving in volume to the destinations indicated, or, if so, whether there is competition in the same kind of product. Taking first, Chicago, as a large consuming centre, there is shown the class rates which apply from Rochelle, Hoopeston and DeWitt, Ill., in Central Freight Association territory, and comparison is made with the commodity rates applying from Sturgeon Bay and Kewaunce, Wis., in Western Trunk Line territory. The rates from Rochelle, Hoopeston and DeWitt are stated by complainants to be the lowest rates available from short haul points to Chicago, and it is difficult to understand why, under a policy of approximate equalization in rates, there is a lower rate from Sturgeon Bay, 257 miles, than in effect from Rochelle, 75 miles, and it would seem that in comparison with the 17 cent rate for 257 miles, the shipper paying 19 cent rate for 99 miles and 22 cent rate for 138 miles, would feel discriminated against, and from points in Central Freight Association territory of greater distance the disparity would be still more marked. With regard to shipments to Minneapolis, it is noted that there is a commodity rate of 14 cents from Colby, Wis., 160 miles, as compared with the class rate of 16 cents applying from LeSeur, Minn., 72 miles; a similar comparison being Margengo, Wis., to Minneapolis, Minn., 255 miles, 22 cents, as compared with Wadena, Minn., to Minneapolis, 149 miles, 25 cents. The intra-state and interstate comparisons of rates to Detroit indicate increasing rates for increasing mileage, but a difference in the rate scales intra-state as compared with interstate. A policy of equalization is not evident in these comparisons.

More information than is on the record would be necessary to form any concluded opinion as to what the rate comparisons really do demonstrate; on the face of it, a departure from any policy of approximate equalization of freight rates from all producing centres is apparent, and disparities and inequalities are also noted.

Complainants then state that—

practicability of granting equal opportunity for marketing in the various consuming sentres the products of the farms in the different producing territories, through the scientific application of both class and commodity rates to equalize the freight cost, and thus eliminate discrimination against any producing section, that there is every justification or the prompt issue of an order from your Board for the immediate removal by the ailroads of the discrimination now effective against the products of the county of Essex, Intario, through the present unfair scale of freight rates, and for the early substitution of a revised basis of class and commodity rates which will permit of the products of the arms of Essex county being shipped to all the principal consuming centres in both the astern and western markets on an approximately equalized freight costs basis with the products of the other producing sections of the Dominion.

As already pointed out, the circumstances surrounding the United States ates cited were not fully put on record, but the brief analysis above made does of demonstrate a scientific equalization of freight cost in the United States. There is no such policy in effect in the United States within the knowledge of

this Board. Complainants made some rate comparisons which are very inconclusive, but made no reference to any decisions of the Interstate Commerce Commission, the rate regulating tribunal in the United States. The position in the United States is very clearly set out in various decisions of the Interstate Commerce Commission over a long period of years, citations from a few of these cases being quoted below:-

The Commission may not require carriers to equalize natural advantages, such as location, cost of production, and the like. -Colorado Fuel & Iron Co. v. Director General,

57 I.C.C. 253, 255.

The Commission has repeatedly held that it has no authority to equalize economic conditions or so to adjust rates that compensation is made to one producing region for its natural disadvantages as compared with another producing region with which it desires to compete.—Iuland Empire Shippers League v. Director General, 59 I.C.C. 321, 338.

It is not the duty of carriers, nor is it proper, that they undertake by adjustment of rates or otherwise to impair or neutralize the natural commercial advantages resulting from location or other favourable condition of one territory in order to put another territory on an equal footing with it in a common market. Each locality competing with others in a common market is entitled to reasonable and just rates at the hands of the carriers serving it and to the benefit of all its natural advantages. If this result in prejudice to one and advantage to another, it is not the undue prejudice or advantage forbidden by the statute, but flows naturally from conditions beyond the legitimate sphere of legal or other regulation. Indicate the property of the proper regulation.—Inland Empire Shippers League v. Director General, 59, I.C.C. 321, 338.

That rates should be fixed in inverse proportion to the natural advantages of competing towns, with the view of equalizing commercial conditions as they are sometimes described, is a proposition unsupported by law and quite at variance with every consideration of justice. Each community is entitled to the benefits arising from its location and natural conditions, and any exaction of charges unreasonable in themselves or relatively unjust, by which those benefits are neutralized or impaired, contravenes alike the provisions and the policy of the statute.—Inland Empire Shippers League v. Director General,

59, I.C.C. 321, 338.

The Commission cannot require carriers to adjust rates for the purpose of equalizing natural or commercial disadvantages.—Natchez Chamber of Commerce v. Director General, 60 I.C.C. 397, 400.

The Commission may not require carriers to equalize natural advantages, such as location, and cost of production.-United Iron Works Co. v. Director General, 61 I.C.C.

It is not the province of the Commission to make adjustments which will offset the natural advantages or disadvantages of one locality as compared with another.—Harrison-

burg Milling Co., v. A.A.R.R. 52, I.C.C. 63, 72.

Regulation of commercial competition, is not the Commission's function; that is to say, its powers do not extend to the preservation of rates in order to enable one point or community to compete on approximately equal terms with another irrespective of other transportation factors.—Natchez Chamber of Commerce v. L. & A. Ry. 52, I.C.C. 105,

122, 123.

There is no obligation at law upon defendants to take up the burden of equalizing the compel of the com natural disadvantages and no power or authority is vested in the Commission to compel

them to do so.—United States v. S.V. Ry. Co., 53, I.C.C. 607, 616.

A carrier cannot be compelled to disregard distance between two competing cities for the purpose of putting the two cities on a commercial equality.-New York Produce

Exch. v. Baltimore & O.R. Co., 7 I.C.C. 612.

It is the province of the Commission to interfere, and secure, if possible, a fair adjustment in cases of unreasonable rates or unjust discrimination, but the Commission has no more authority to place competing millers in different states upon precisely the same tooting than it has to equalize conditions in all localities and in every industry.—Mayor and Council of Wichita, Kas., v. M.P.R.R. 10, I.C.C. 35, 40.

Natural advantages of location are neither to be enlarged or minimized by the Com-

mission, whose duty and purpose is to secure just and reasonable transportation rates, as nearly equal as possible for all localities and individuals, having due regard to differences in circumstances and conditions.—Enterprise Manufacturing Co. v. Georgia R.R., 12 I.C.C. 451, 456.

Equalization of commercial advantages and disadvantages through regulation of rates from competing points of production, irrespective of the transportation services performed, is not the function of the Commission.—Western Coal Rates, 80, I.C.C. 383, 461.

It is not the duty of carriers, nor is it proper, that they undertake by adjustment of rates or otherwise to impair or neutralize the natural commercial advantages resulting from location or other favourable condition of one territory in order to put another territory on an equal footing with it in a common market. Each locality competing with others in a common market is entitled to reasonable and just rates at the hands of the carriers serving it and to the benefit of all its natural advantages. If this result in prejudice to one and advantage to another, it is not the undue prejudice or advantage forbidden by the statute, but flows naturally from conditions beyond the legitimate sphere of legal or other regulation.—Commercial Club of Omaha v. C.R.I. & P.R. Co., 6 I.C.C. 647, 675.

The position in Canada, under the provisions of the Railway Act and the powers of the Board, is well defined in decisions in various cases over a long period of years. The proposition that a producer's geographical location should be equalized in the freight rate is something which transcends the powers or functions of the Board.

The Board has no power to regulate tolls for purpose of equalizing cost of production or geographical, climatic or economic conditions.

Imperial, etc., Co. v. C.P.R. 14, C.R.C. 375; Hudson Bay Mining Co. v. C.N.R. Co., 16 C.R.C. 254; Canadian China Clay Co. v. G.T.R. Co., 18 C.R.C. 347; Western Retail Lumbermen's Assn. v. C.P.R. et al, 20 C.R.C. 155; Dominion Millers' Assn. v. Can. Frt. Assn., 21 C.R.C. 83.

It is axiomatic, not only in this country, but in others, that rate-regulating bodies cannot overcome by an adjustment of freight rates the natural advantage which one competing locality has over another.

Complaint of Spanish River Pulp & Paper Mills Ltd. re rates on paper from Sturgeon Falls and Espanola, Ont., to Toronto and other destinations, Vol. XII, Board's printed Judgments and Orders, p. 268, at p. 275.

On the record a case for revision in rates has not, in my opinion, been made out, and the complaint should, therefore, be dismissed.

File No. 34123.3.4

Submission of The Canadian Tobacco Growers' Co-operative Company, Ltd., Kingsville, Ont., re freight rates on products grown by the farmers in Essex County.

This submission consists of a resolution passed by the Board of Directors of the company above named, supporting the complaint made by the Quality Canners of Canada, Ltd., re alleged discriminatory freight rates applying against shipments of products of Essex county. The matter was not further enlarged upon or specifically dealt with as far as the above-named company is concerned. The complaint of Quality Canners of Windsor has been fully considered and dealt with under file 34123.3.3.

File No. 34123.4.1

Application of the Page-Hersey Tubes, Limited, Toronto, Ont.

Ι

REQUESTING REDUCTION IN RATES ON WROUGHT IRON PIPE, CARLOADS, FROM APPLICANTS' MILL AT WELLAND, ONT., TO WESTERN CANADIAN POINTS

Applicants base their request on the allegation that the rates on wrought iron pipe, carloads, to certain western Canadian destinations, from Pittsburgh, Pa., and Lorain, Ohio, discriminate against Welland, Ont., and are preferential to Pittsburgh and Lorain, at which points there are pipe mills with which the applicants have to compete on shipments from Welland. As illustrating the rate

situation complained of, the applicants set out the following comparison of allrail rates:-

(Rates per 100 lbs.)

То	From	From	From	From
	Pittsburgh	Lorain	Welland	Welland
Calgary, Alta Edmonton, Alta Lethbridge, Alta Medecine Hat, Alta Nelson, B.C. Rossland, B.C. Fernic, B.C Trail, B.C. Revelstoke, B.C Kipp, Alta Macleod, Alta Wetaskiwin, Alta Coutts, Alta	\$1 62 1 86 1 41 1 60 1 96 1 79 1 96 1 83 1 42 1 47 1 80 1 15	\$1 62 1 86 1 41 1 60 1 95 1 95 1 74 1 95 1 83 1 42 2 1 47 1 80 1 15	\$2 00 2 00 1 92 1 83 2 27 2 27 2 03 3 2 27 2 27 1 95 1 98 -1 98	\$2 00 2 00 2 00 2 00 2 00

As, however, there are numerous commodity rates in effect from Welland which are not shown in the applicant's comparison, it is essential, for the proper consideration of this matter, to have the entire rate comparison set out, and this is shown below:-

То	1	2	3	4	5	6	7	8	9	10
Calgary, Alta. Edmonton, Alta. Lethbridge, Alta. Medicine Hat, Alta. Kipp, Alta. Macleod, Alta. Wetaskiwin, Alta. Coutts, Alta. Nelson, B.C. Rossland, B.C. Trail, B.C. Fernie, B.C. Revelstoke, B.C.	162 186 141 160 142 147 180 115 196 196 179 183	162 186 141 160 142 147 180 115 195 195 195 174 183	200 200 192 183 195 198 198 227 227 227 203 227	171 171 162 154 165 166 166 195 195 195	200 200 200 200 200	194 194	$\begin{array}{c} 165\frac{1}{2}\frac{1}{2}\\ 165\frac{1}{2}\frac{1}{2}\\ 156\frac{1}{2}\frac{1}{2}\\ 148\frac{1}{2}\frac{1}{2}\\ 160\frac{1}{2}\frac{1}{2}\\ 160\frac{1}{2}\frac{1}{2}\\ 189\frac{1}{2}\frac{1}{2}\\ 189\frac{1}{2}\frac{1}{2}\\ 189\frac{1}{2}\\ 189\frac{1}{2}\end{array}$	180½ 180½ 180½ 170½ 163½ 175½ 178½ 178½ 207½ 207½ 207½ 207½ 207½	$\begin{array}{c} 161_{\frac{1}{2}} \\ 161_{\frac{1}{2}} \\ 161_{\frac{1}{2}} \\ 152_{\frac{1}{2}} \\ 144_{\frac{1}{2}} \\ 156_{\frac{1}{2}} \\ 156_{\frac{1}{2}} \\ 156_{\frac{1}{2}} \\ 186_{\frac{1}{2}} \\ 185_{\frac{1}{2}} \\ 185_{\frac{1}{2}} \\ 185_{\frac{1}{2}} \\ 185_{\frac{1}{2}} \end{array}$	$\begin{array}{c} 176\frac{1}{2} \\ 176\frac{1}{2} \\ 168\frac{1}{2} \\ 159\frac{1}{2} \\ 171\frac{1}{2} \\ 174\frac{1}{2} \\ 174\frac{1}{2} \\ 203\frac{1}{2} \\ 203\frac{1}{2} \\ 203\frac{1}{2} \\ 203\frac{1}{2} \\ 203\frac{1}{2} \\ 203\frac{1}{2} \\ \end{array}$

It is necessary to explain these various rates, which are shown in cents per 100 pounds, and cover wrought iron pipe, in carloads.

Columns 1 and 2 show the rates from Pittsburgh and Lorain, respectively, on all sizes of pipe.

Columns 3 to 10, inclusive, show the various rates in effect from Welland.
Column 3 shows the 5th class all-rail rates applicable on all sizes of pipe.
Column 4 shows commodity rates all-rail on pipe over 4" in diameter.

Column 5 shows all-rail commodity rates for all sizes of pipe.

Column 6 shows lake-and-rail rates for all sizes of pipe.

Column 7 shows combination of rail and water rates to Fort William and Port Arthur, and rail rate thence to destination, on pipe over 4" in diameter.

Column 8 shows the combination rail-and-water rate to Fort William and Port Arthur, thence rail to destination, on pipe 4" and under in diameter

alion, on pipe over 4" in diameter.

Column 10 shows combination of all-water rate to Fort William and Port Arthur, thence rail to destination of all-water rate to Fort William and Port Arthur, thence rail, on pipe 4" and under in diameter. Column 9 shows combination of all-water rate to Fort William and Port Arthur, thence rail to destin-

With regard to the rates from Pittsburgh and Lorain to the Alberta destinations cited by applicants, these are controlled by rates established by United States carriers. A rate of \$1.15 is published from Pittsburgh and Lorain to the Pacific coast, and applies as maxima to intermediate territory, including Sweetgrass, Mont., which is at the boundary between Montana and Alberta, and in this way the rate of \$1.15 to Coutts, the Canadian boundary station, is arrived at, and the rates thence to Alberta destinations are the full 5th class rates added to the Coutts rate. The rates to the British Columbia destinations shown are also based on similar combinations. From Pittsburgh and Lorain, therefore, the Canadian carriers make no reduction in their rates, but charge the normal class rate from the Canadian boundary point to destination.

In explanation of the special commodity rates from Welland, which are lower on the pipe over 4 inches in diameter than are published on the pipe when 4 inches and under in diameter, Mr. Ransom, on behalf of the carriers, explained that some years ago they established special commodity rates on the pipe 4 inches and over in diameter for the reason that at that time there was no duty on pipe of that diameter coming into Canada from the United States, and the carriers had been requested to provide commodity rates on the pipe on which there was no duty to assist the Canadian manufacturers in meeting United States competition. Mr. Ransom pointed out that there had been a change in the situation, and at the present time there is a duty of 30 per cent on pipe 10 inches or less in diameter, and 15 per cent when over 10 inches in diameter, so that based on an average price of pipe of 5 cents per pound, the duty on pipe formerly entering free was now \$1.50 per 100 pounds, when 10 inches or less in diameter, and 75 cents per 100 pounds when over 10 inches in diameter. The railways, however, had continued their line of demarcation at the pipe over 4 inches in diameter.

As already pointed out, the through rates from Pittsburgh and Lorain are made up of the combination of the rate of \$1.15 established by the United States carriers to the Montana-Alberta boundary point, plus the regular class rate of the Canadian carrier thence to destination. Obviously, through rates established in this manner are appreciably lower to destination points reasonably contiguous to the boundary point than they are to points of greater distance where the higher local rates of the Canadian carrier from the boundary point come into Of the eight Alberta destinations cited by applicants, Coutts is the boundary point and, of course, shows a much lower rate than any of the other destination points, but it is doubtful if any of this traffic goes to Coutts proper. Lethbridge, Kipp and Macleod are within a 100-mile radius of Coutts, and Medicine Hat and Calgary within a 200-mile radius. The other two Alberta destinations named, viz., Edmonton and Wetaskiwin, are in the northerly portion of the province, and all of the rates from Welland to the two latter destinations are lower than from Pittsburgh and Lorain, except the regular 5th class rate from Welland. In the case of Calgary, there is one rate from Welland lower; to Medicine Hat four rates from Welland are lower. Similarly, in the case of the British Columbia destinations cited it will be observed there are lower rates available from Welland. If a similar comparison were taken out covering a great many other destinations in western Canada situated north of the Canadian Pacific Railway main line, it would show that Welland has the advantage in rates.

Before it would be possible to form any conclusion as to what rate disparity actually exists, as between Welland and the United States points named it would be necessary to have regard to the rates applying from Welland on the traffic is it actually moves. For example, rates on pipe over 4 inches in diameter are ower than on pipe 4 inches and under. What proportion of applicants' pipe moves under the lower rates? The rates based on combination of the rail and water rate to the head of the lakes are lower than the published through all-rail and lake-ind-rail rates; what proportion of applicants' tonnage moves under these rates? The rates via all-water route to the head of the lakes, thence rail, are still lower han the combination last mentioned; what proportion of applicants' tonnage noves on these rates? Applicants submitted no data on these points. They aerely confined their submissions to rate comparisons based on the hightest rates

published from Welland, viz., the all-rail rates, and without this being accompanied by an analysis of the rates actually paid, having in view the numerous lower rates available, such rate comparisons are not very helpful and are most inconclusive. There is on the record the undisputed statement of Mr. Ransom that the bulk of the pipe moving to western Canada is over 4 inches in diameter; further, that during the summer season the most of the pipe moves all-water to the head of the lakes. These statements, uncontradicted on the record, indicate that much lower rates than cited in applicants' comparison filed with the Board are actually being paid on a considerable portion, at least, of the traffic moving.

Mr. Ransom contended that importations from the United States were negligible, the Canadian carriers having, as evidenced by the special commodity rates published, established rates to assist shippers in meeting United States competition. In rebuttal of this statement, applicants stated that customs and excise statistics for the period January 1 to November 30, 1925, show imports to the value of \$63.683. This information, standing by itself, and being all that was submitted on the record, conveys very little meaning, because there is no information before the Board as to whether, in proportion to the total wrought iron pipe consumed in the provinces of Alberta and British Columbia, the figures named represent a small or a large percentage. It seems to me it can be assumed that there is bound to be a certain amount of wrought iron pipe imported from the United States, as probably there are varieties of pipe manufactured there that are not made in Canada. Mr. Middleton, representing the applicants, stated they did not manufacture 12-inch pipe. There is shown below a statement of imports of tubing, as specified, from United States entered for consumption in the provinces of Alberta and British Columbia and the Port of Vancouver, during the calendar year 1925, these figures being obtained from the Department of Customs and Excise.

STATEMENT OF IMPORTS OF TUBING AS SPECIFIED FROM THE UNITED STATES ENTERED FOR CONSUMPTION IN THE PROVINCES OF ALBERTA AND BRITISH COLUMBIA AND THE PORT OF VANCOUVER DURING THE CALENDAR YEAR 1925

Item	Province of Alberta	Province of British Columbia *	Pert of Vancouver
	\$	\$	8
Wrought or seamless iron or steel tubing plain or galvanized, threaded and coupled or not, over 10 in. in diameter. n.o.p. Wrought or seamless iron or steel tubing plain or galvanized, threaded and coupled or not, 10 in. or less in diameter, n.o.p.	24,501	9,362	9,362
	31,523	25,972	4,229
	55,874	35,334	13,591

^{*} Including the Port of Vancouver.

Of the total imports into British Columbia of \$35,334, \$13,591 was through the port of Vancouver, and it is unlikely that the Vancouver importation has any bearing in connection with the rates here under discussion. There is no information showing, in connection with these United States importations, what proportion went to destinations where the rates from Pittsburgh and Lorain may be slightly lower than some of the rates available from Welland.

In connection with this matter, the Board has, in numerous cases, stated that with regard to rates to meet competition—market, rail, or water—or to develop traffic, the railway companies have a discretion and may voluntarily establish rates lower than could be justifiably directed or compelled by the Board. See Mount Royal Milling and Manufacturing Company, Ltd., Montreal, Que., re rates on cleaned rice, Montreal to western Canada, Board's printed Judgments and Orders, Vol XV, page 58, and citations therein quoted. Aside

from the position taken by the Board, as above referred to, and the fact that the applicants have not in any way attacked the present rates from Welland as being unreasonable per se, I am of opinion, in view of the rate situation herein set out, and for the other reasons mentioned, that the applicants have not made out a case that would warrant the Board directing a reduction in the present rates from Welland.

II

(a) REQUESTING LOWER EXPORT RATES TO MONTREAL THAN TO AMERICAN ATLANTIC SEAPORTS ON WROUGHT IRON PIPE AND PIPE FITTINGS

Application is made that on the commodities named there should be established from Welland an export rate to Montreal lower than to New York or other United States Atlantic ports. Normally, the export rate to Montreal would be lower than to New York, but from southern Ontario territory served by American railways they establish on export traffic to New York during the summer months competitive tariffs, applying to New York the same rates as are published to Montreal. The whole situation regarding this competitive territory in southern Ontario and the export rates therefrom to Montreal v. New York, was before the Board and is fully covered by the Board's judgment dated April 18, 1923, found in the Board's Printed Judgments and Orders, Vol. XIII, No. 3, page 19. For the reasons fully gone into in that judgment, the suggestion of applicants is one that could not be given practical effect to.

(b) RATES ON WROUGHT IRON PIPE, CARLOADS, FROM WELLAND TO CANADIAN ATLANTIC PORTS, FOR FURTHERANCE TO NEWFOUNDLAND OR THE ISLANDS OF ST. PIERRE AND MIQUELON

This matter was not included in the original application, but was brought up at the sittings of the Board in Toronto. There are special commodity rates quoted from Welland to Montreal, Quebec, and Canadian Atlantic ports on wrought iron pipes, in carloads, destined to Newfoundland or the islands of St. Pierre and Miquelon, and applicants stated they were unable to take advantage of these rates unless shipments constituted a carload or more and it is seldom they are able to sell a straight carload of pipe at one time in Newfoundland. As a result, they stated, their business was in less than carloads, which subjected it to the payment of domestic L.C.L. rates, whereas if they had the privilege of putting L.C.L. shipments for Newfoundand in with carloads of pipe for export to other countries they would be in a position to compete with Pittsburgh and Lorain mills. Their application, therefore, was that they be accorded the privilege of carload rates on mixed carloads of pipe from Welland to the Canadian Atlantic ports, part of the carload being for furtherance to Newfoundland and the balance exported to British or foreign countries. It would appear from the record that there is some misunderstanding on the part of applicants. The carload rate on wrought iron pipe from Welland to. John and Halifax for export is 30 cents per 100 pounds. This same rate is also published from Welland to Saint John and Halifax when the traffic is destined to Newfoundland or the islands of St. Pierre and Miquelon and, further, in the tariff quoting the rates last named a provision is now published reading:—

Mixed Cars.—Shipments for furtherance to Newfoundland and the Islands of St. Pierre and Miquelon may be accepted in mixed cars with shipments for export to British and foreign countries (not including the United States), Cuba, the Insular Possessions of the United States and the Panama Canal Zone, and charges thereon assessed at the carload rate applicable on traffic for furtherance to Newfoundland or the islands of St. Pierre and Miquelon, subject, however, to the highest minimum carload weight.

The applicants appear to have, therefore, exactly the arrangement they are contending for, so far as relates to shipments from Welland to St. John and Halifax. The rate to North Sydney for furtherance to Newfoundland is 35 cents per 100 pounds, and there is no rate published to North Sydney when for export to British and other foreign countries. To Montreal there is some difference, in that the special commodity rate from Welland on pipe for export to British and foreign countries is 25½ cents, while when for furtherance to Newfoundland the rate is 28 cents, so that under the mixed car provision in the tariff as above quoted the mixed carload to Montreal would take the 28 cent rate, but it would not be subjected to payment of domestic L.C.L. rates, as referred to by applicants. As stated, there appears to have been some misunderstanding on the part of applicants, but, in any event, without the matter being more definitely developed on the record it is not clear that applicants are contending for anything further than is already provided by the tariff.

III

ALLEGING DISCRIMINATION AGAINST WELLAND IN FAVOUR OF MONTREAL IN RATES
TO VARIOUS POINTS IN QUEBEC

This portion of the application was withdrawn at the hearing in Toronto.

TV

REQUESTING REDUCTION IN RATE ON WROUGHT IRON PIPE AND PIPE FITTINGS, CARLOADS, FROM WELLAND TO HAMILTON

On wrought iron pipe and pipe fittings, carloads, from Welland to Hamilton, the class and commodity rate is the same, viz., 18 cents per 100 pounds. Applicants point out that on the same commodities from Montreal the class rate to Hamilton is 43 cents, and the commodity rate 35 cents, or 81.4 per cent of the class rate. The contention of applicants is set out in the following statement (p. 639):—

It is our contention that we should be accorded the same treatment as our Montreal competitors, and since the commodity rate. Montreal to Hamilton, is approximately 81 per cent of the fifth class rate, we consider we should have a rate, Welland to Hamilton, of 14½ cents, which is approximately on the same percentage basis.

It is not contended by applicants that a lower commodity rate from Welland to Hamilton is necessary to meet Montreal competition, Mr. Middleton, representing the applicants, stating they could get the order in Hamilton as against Montreal. Mr. Middleton stated (p. 641):—

Our application for a commodity rate, Welland to Hamilton, is not made with the idea of meeting Montreal competition, but merely asking for an equality of treatment, to which we believe we are justly entitled.

In other words, the essence of applicants' submission is that if the commodity rate from Montreal is 81 per cent of the class rate, "equality of treatment" entitles them to a commodity rate from Welland that is 81 per cent of the class rate. If commodity rates generally were constructed on a fixed percentage of the class rate there would be force in the applicants' position, but no such basis governs the commodity rates in effect; they are governed by numerous and varying conditions, and, in the majority of cases, bear no particular relation to the class rates. The commodity rates from Montreal on the articles here in question are not uniformly 81 per cent of the class rates to all destination points to which such rates are published. Further, taking a few shipping points, the

class rate and the commodity rate on iron and steel articles, carloads, to Hamilton is given below:-

To Hamilton, Ont. from	(In cents p	Per cent	
	5th class rate	Commodity	that commodity rate is of the class rate
Montreal, Que Belleville, Ont Collingwood, Ont Sarnia, Ont. St. Catharines, Ont. Walkerville, Ont Welland, Ont	$\begin{array}{c} 43 \\ 32 \\ 29 \\ 30\frac{1}{2} \\ 18 \\ 34\frac{1}{2} \\ 18 \end{array}$	35 30 27½ 30 18 30 18	81 · 40 93 · 75 94 · 83 98 · 37 100 · 00 86 · 96 100 · 00

Applicants' position, carried to its logical conclusion, would obviously involve an entire revision of all the commodity rates on iron and steel articles from all shipping points—of which only a few are above named—to all points of destination. It will be noted that St. Catharines is in the same position as Welland; also, that Belleville, Collingwood, Sarnia and Walkerville—as well as other points not shown—have rates appreciably in excess of 81 per cent of the

As to the actual burden of the rate to Hamilton, Welland pays 18 cents and Montreal 35 cents. In other words, Montreal pays a rate, in competing with Welland in the Hamilton market, which is 94 per cent greater.

Subsequent to hearing of this case the carriers filed tariffs proposing a revision of the rates on iron and steel articles, effective December 1, 1926. On application of various interested steel companies these schedules were suspended by Order No. 38462, dated November 27, 1926, and the matter stands for hearing and will be dealt with independently of the disposition of the various issues involved in the General Rate Investigation.

COMPLAINT TO MINIMUM CARLOAD WEIGHT ON WROUGHT IRON PIPE AND FITTINGS IN CANADIAN FREIGHT CLASSIFICATION NO. 17

In Canadian Freight Classification No. 17 the carload minimum weight on wrought iron pipe was revised from 24,000 to 36,000 pounds; no change being nade in the ratings. Classification 17 was prepared by a special classification committee composed of representatives of both the shippers and carriers, and his special committee in turn arranged conferences with the interested shippers n the various lines of trade, with the object of drawing up a classification atisfactory to all interests. Thereafter, the classification was submitted to the Board and ample opportunity given for the filing of complaints by individual hippers who had not been able to agree, or who objected to what had been ecommended by the special joint committee, after which the Board held sittings a various places to hear the submissions of the parties in respect to those items o which there was any objection. No representations were received by the Soard from any source objecting to the revision in the carload minimum weight n wrought iron pipe. Classification 17, with such modifications as were precribed in the judgment of the Board, was approved by General Order No. 421, ated July 17, 1925, and became effective September 21, 1925.

Applicants protest against the revision of the carload minimum weight on nis pipe from 24,000 to 36,000 pounds. Only a limited volume of the pipe

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moves under the class rates subject to the classification minimum weight, as the largest percentage of it moves under lower special commodity rates at carload minimum weights, varying from 40,000 to 80,000 pounds per car, and regarding

which there is no complaint before the Board.

The minimum carload weights shown in Classification 16 were established a great many years ago, when both the carrying capacity of cars, and, in many instances, the commercial conditions, were quite dissimilar to those existing today. One of the principles of revision of the classification has been to increase minimum carload weights, where this is possible, having regard to the interests of both shippers and carriers. The physical minimum, or in other words the weight representing the quantity which can be loaded into a standard car, is not here in question, as the pipe can be loaded to in excess of 80,000 pounds per car, applicants stating they have loaded cars to as high as 110,000 pounds. What is involved is the question of the commercial minimum, viz., that minimum which takes into consideration trade requirements, conditions of manufacture, distribution and consumption.

Applicants readily admit that the larger points can easily take the revised minimum weight, and the application is, therefore, based on the ground that it will possibly work some hardship in shipping to the smaller communities and

jobbers. Mr. Middleton stated (p. 647):

I admit, sir, that the raising of the minimum is not very objectionable in connection with shipments to the larger centres like Toronto, Hamilton, or Montreal, but the fact that there have been, as I stated, 28 curs between the effective date of the tariff and the end of the year goes to show that certain jobbers must order 36,000 pounds often to get a reduced

Representative of the carriers drew Mr. Middleton's attention to the fact that on many other articles a corresponding revision had been made in the minimum weight, and at pp. 647-8 the following discussion took place:-

Mr. FLINTOFT: Mr. Middleton, do you not think that these small jobbers in the small centres will adjust themselves in time as they have in regard to other lines. We have heard this same story time and again about not being able to sell as much as the minimum carload, but, as Mr. Ransom says, they are adjusting themselves to the new conditions.

Mr. Middleton: Possibly they will, and I sincerely hope they will, sir, but the fact that there has been so many cars that have not run up to the minimum, so far, is fairly good evidence that they had not adjusted themselves at the present time.

Mr. Middleton stated that from September 21, when Classification 17 became effective, to December 31, 1925, they had shipped from Welland 28 cars of pipe containing less than 36,000 pounds. He was asked to file a statement showing the details of these, which has since been received. The destinations, and number of cars to each, are shown below.

To	No. of Cars	To	No. of Cars
Hamilton	4	Peterboro	
Chatham		Rockfield	
Montreal		Brampton	
Lendon		Caledonia	
Toronto		Grimsby	
St. John		South Porcupine	
Edmonton		Prairie Siding	
Three Rivers		Notre Dame des Anges	1
Grand Mere			

It will be noted that a considerable number of these cars moved to points to which Mr. Middleton stated the present minimum weight is not very objectionable, e.g., Hamilton, London, Montreal, Toronto, etc. I would only consider the last eight cars in the list as coming under the heading of the grounds of this complaint, and the weights shipped in these instances ranged from 24,600 to 31.140 pounds per car

Classification is of necessity a matter of averaging. Whatever minimum weight is fixed, there will be cases where there will be difficulties, at times, it making up that weight. Under the circumstances, it would be unreasonable to establish a carload minimum weight based solely on the quantity that can be taken by the smallest communities or jobbers and disregard entirely the weight that can be readily shipped to the larger points, and all the other considerations that are ordinarily weighed in arriving at a conclusion as to a fair and reasonable minimum carload weight.

The present minimum weight is the same as provided for many other iron and steel articles of an analogous character and, in my opinion, is a reasonable commercial minimum and should not be changed. This is in line with the decisions reached by the Board in similar cases before it when Classification 17 was under consideration, and in this connection reference may be made particularly to Sections 22 and 32 of the Board's judgment dated June 23, 1925, re Classification 17, found in Yolume XV, No. 10, of the Board's Printed Judgments, Orders and Rulings.

File 34123.4.3

Application of the Trussed Concrete Steel Company of Canada, Limited, Walkerville, Ont.

Heard at Windsor, January 12, 1926

I

COMMODITY RATES FROM WALKERVILLE TO WESTERN CANADIAN POINTS ON CORRU-GATED IRON, STRUCTURAL STEEL BEAMS, STEEL WIRE MESH, STEEL LATH, AND WIRE REINFORCING FABRIC, IN CARLOADS

At the present time class rates apply on carload shipments of the commodities named from Walkerville to western Canadian points. Fifth class applies on steel wire mesh, steel lath, and wire reinforcing fabric, while 6th class applies on structural steel beams and corrugated iron, plate or sheet. On the corrugated iron 5th class applied at the time this application was submitted to the Board in August, 1925, and the rating was reduced to 6th class in Canadian Freight Classification No. 17, subsequently effective.

As developed by the applicants, the issue here presented deals with the question, not from the standpoint of the present rates being alleged to be unreasonable per se, or discriminatory, but on the premise of establishing rates from Walkerville based on the alleged needs of the Walkerville industry in relation to competition from St. Paul and Minneapolis, Minn. Applicants stated there was not involved the question of discrimination as against other Canadian manufacturers or Canadian shipping points and, in substance, their complaint was solely in regard to competition with St. Paul and Minneapolis. The information submitted by applicants as to the rates, and the relative advantages or disadvantages in the production of these articles at Walkerville as compared with St. Paul and Minneapolis, was not developed on the record with any definiteness, and was very inconclusive. They stated the rate from Walkerville to Winnipeg averaged approximately \$20 per ton, and from St. Paul \$10.85 per ton, and as to production costs the only statement on the record is that at p. 482, reading:—

We have material which we assume our competitors can manufacture at \$90 a ton, this assumption being based on the cost to our company in the States, basing it on like costs. At 30 per cent duty they would lay that down at Winnipeg at \$114 a ton placed, freight \$10.85, or approximately \$124.85. Our cost laid down in Winnipeg is about \$5.85 more than that from St. Paul or Minneapolis on the same products.

The rate situation is set out below:-

From	То	Miles	Rate in cents per 100 lbs.	Rate in cents per ton per mile
St. Paul	Winnipeg Winnipeg	457 1,415	A— 48 B— 57 A—101 B—114	2.10 2.49 1.42 1.61

A—Applies on corrugated iron and structural steel beams.

B—Applies on steel wire mesh, steel lath and wire reinforcing fabric.

It will be noted applicants gave a laid-down price at Winnipeg from St. Paul of \$124.85 per ton, and stated their cost is about \$5.85 more than that, which would be \$130.70. They take an assumed production cost at St. Paul of \$90 per ton, but have made an error in calculation of the duty and freight. At 30 per cent duty, this item amounts to \$27 per ton, and the St. Paul-Winnipeg freight rates to \$11.40 and \$9.60 per ton on the 5th and 6th-class items, respectively, making the laid-down cost \$128.40 and \$126.60, respectively, but which is based merely on an assumed production cost, as to the accuracy of which the record is devoid of evidence; and further, no information whatever was given as to production cost at Walkerville.

According to the record, the competition, up to the present time at least, has been potential rather than actual, as the applicants stated they had been able to keep these products from coming in from the United States, although it is alleged that in doing so they are not showing a profit on the Winnipeg

business.

The rate from St. Paul and Minneapolis to Winnipeg is very largely controlled by the United States carriers, as the Great Northern and Northern Pacific railroads have their own direct lines between these points. The benefit of establishment of commodity rates from Walkerville could, therefore, be nullified by the United States carriers making a reduction in the rate from St. Paul and Minneapolis to Winnipeg, with the result that the applicants would

be in no better relative position.

However, aside from the foregoing, taking the points concerned, I am of opinion that an analysis of the mileages and rates fails to furnish evidence that the rates from Walkerville are unreasonable or unjustly discriminatory. It will be observed it is 1.415 miles from Walkerville to Winnipeg as compared with 457 miles from St. Paul. The rates per ton per mile are approximately 50 per cent greater from St. Paul than from Walkerville, indicating full allowance for tapering of the rate on the longer haul from Walkerville. The difficulty of establishing a rate adjustment which would annihilate Walkerville's disadvantage in geographical location of 958 miles, or over 200 per cent greater distance than St. Paul from the Winnipeg market is, I think, obvious. There is also the fact that Walkerville, and not St. Paul and Minneapolis, is getting the Winnipeg business. In my opinion, a case has not been made out warranting a direction that the rates from Walkerville should be reduced.

H

COMMODITY RATES ON STEEL LATH, IN CARLOADS, FROM WALKERVILLE TO EASTERN CANADIAN POINTS

Under this heading the applicants stated there were no commodity rates or steel lath, carloads, from Walkerville to eastern Canadian points. All that they advanced in support of this application was that there is a commodity rate or

this product to British Columbia coast points, and that steel lath competes with wooden lath, the classification ratings being 5th and 10th class, respectively. The applicants did not develop their case to any greater extent than this. The commodity rate to the British Columbia coast is a competitive rate as against Panana canal water route. As far back as the Board's records go, the steel lath has been rated 5th class and the wooden lath 10th class. There has never previously been any complaint. Nothing was adduced showing relative values; whether the volume of steel lath produced is increasing or decreasing, and if decreasing to what exent this is actually influenced by wooden lath. may be other considerations apart from the question of the rate that have a bearing on the situation. It was not stated what reduction in rate would be necessary to meet the alleged competition. These and other considerations are particularly relevant, but no evidence is before the Board in respect to them, and on the record I recommend dismissal of this application without prejudice to the right of the applicants to renew it and develop their case with such definiteness and completeness as will enable an intelligent conclusion to be reached.

III

COMMODITY RATES ON STEEL WIRE MESH AND WIRE REINFORCING FABRIC FROM WALKERVILLE TO EASTERN CANADIAN POINTS

This steel wire mesh and wire reinforcing fabric is laid down in the making of concrete roads, reinforcing same to prevent cracking and to provide strength for heavy traffic. The competition for this purpose is with wire fencing, which is laid double. In their submission dated August 26, 1925, applicants set out that there was a special basis of 4th class L.C.L. authorized on wire fencing, while their commodities were charged 3rd class. There is a misunderstanding here as all these commodities are rated 3rd class L.C.L. With respect to carload shipments of wire fencing there were special commodity rates, and in 1923 the wire reinforcing fabric and steel wire mesh was provided with the same carload commodity rates as the fencing. However, on October 19, 1925, subsequent to the filing of submission of applicants, which referred only to the L.C.L. rates, the carload commodity rates on the wire fencing and the wire reinforcing fabric were cancelled and the class rates now apply. There is, therefore, no discrimination at present with regard to the rates on these commodities, all taking 3rd class L.C.L. and 5th class C.L. Applicants were unaware of the tariff situation and I would infer from the record that when this was explained to them at the hearing they pressed their case no further under this heading.

File 34123.4.4—File 34123.45—File 34123.48—File 34123.53

Submissions of British Empire Steel Corporation, Limited, Sydney, N.S.

In letter dated March 3, 1926, from the British Empire Steel Corporation, Limited, on file No. 34123.45, Mr. McIsaac stated they were co-operating with the Maritime Rights Committee in connection with the General Freight Rates Investigation, but that it was their intention to place before the Board their own position. In this connection Mr. McIsaac stated:—

Your suggestion that we co-operate with the presentation to be made by the Maritime Rights Committee, which is in the hands of Mr. J. L. Ralston, K.C., is quite in order. I may say that we have already been co-operating with these people, and as our interests are almost identical there is every reason that we should, and, as suggested in your letter, we shall continue to co-operate with them. It is our intention, however, to place before the Board our own position, if we are given the opportunity to do so, but this will not detract from the Maritime Rights Committee's position, but will, we hope, substantially support it.

At the final hearing, and subsequent to passing of the legislation known as the Maritime Freight Rates Act, 1927, Mr. Duchemin, on behalf of the Maritime Provinces, withdrew their submissions and case from the General Freight Rates Investigation, and stated that, if necessary, after the full effect of the Maritime Freight Rates Act was determined, they could re-submit an amended submission if desired, to be dealt with subsequent to and apart from the General Freight Rates Investigation.

I do not understand that the submissions of the British Empire Steel Corporation were withdrawn, but I do not consider their submissions can be at this time dealt with as part of the General Freight Rates Investigation. Their submissions cover a wide range of matters, such as rates on coal, coke, iron and

steel, various other commodity rates, class rates, etc.

The matter of coal rates is being dealt with separately by the Board pursuant to Order in Council, and no doubt whatever action may finally be taken in connection with the coal rates would have some bearing on the question of rates on coke. With regard to rates on iron and steel commodities the decision of the Board was to deal with same subsequent to and apart from the General Freight Rates Investigation. Rates on explosives were modified, as a result of Order of the Board, subsequent to the submission filed by the British Empire Steel Corporation. A great many other rates, to which they alluded are affected

by the reduced tolls provided by the Maritime Freight Rates Act. As some of the items are to be dealt with apart from the General Freight Rates Investigation, and others are affected by, and the rates reduced under, the legislation, it would seem impracticable to deal with the British Empire Steel Corporation's submissions in their present shape and as a part of the General Freight Rates Investigation. It will be some little time yet before the full effect of the Maritime Freight Rates Act can be analyzed. There will probably be controversy with respect to some of the tariffs filed under the authority of that Act, and further time may elapse before decisions will have been reached and any amendments necessary effected with regard to such matters. The basis of submissions as now on file will be largely altered.

I consider, therefore, that subsequent to the matters of coal rates and iron and steel rates being dealt with, and the effect of the Maritime Freight Rates Act and new tariffs filed thereunder finally determined, the British Empire Steel Corporation should then, if desired, file formal complaint under the general rules and procedure of the Board. In case complaint is subsequently filed I do not think it necessary that new exhibits throughout be furnished, as the British Empire Steel Corporation could refer to those portions of exhibits already filed which might be relevant to any new complaint made, and they could submit type-

written corrections in other instances where necessary.

File 34123.6

Regina Board of Trade—Yorkton Board of Trade

The representations of the Regina Board of Trade, covered by written submission under date of August 23, 1925, and spoken to at sittings of the Board in Regina, June 23, 1926, Vol. 465, commencing at page 7748, dealt with:

1. Class rates from Fort William to prairie distributing centres.

2. Class rates Minnesota Transfer, etc., to Canadian prairie points.

3. Commodity rates British Columbia points to Regina and Winnipeg.

One, refers to the question of Fort William terminal rates, which is dealt with in the judgment of the Board.

Two, deals with international rates which are to be dealt with outside of the

General Freight Rate Investigation.

The third point sets out that in regard to certain eastbound commodity rates from British Columbia points, the City of Winnipeg enjoys the same rate as Regina, while with respect to commodity tariffs applying from Eastern Cana-

dian points the rate to Regina is in excess of that to Winnipeg.

With regard to the eastbound commodity rates from British Columbia points, canned goods, canned salmon and rice are specifically referred to. With respect to canned goods, the situation as to these rates is fully set out in judgment of the Board dated June 11, 1925, in application of J. C. Hodgson, Chairman of the Transportation Committee, Jam Section, Canadian Manufacturers' Association, Vol. XV, Board's Judgments, Orders, Regulations and Rulings, p. 162. It is therein stated that the rates from British Columbia canning points are on a competitive basis. The following excerpt from judgment in question is particularly relevant as explaining the situation with respect to these rates:—

The rates from British Columbia canning points to the distributing centres above referred to are on a competitive basis. The rate which is specially significant is that from Vancouver to Winnipeg. This being on a competitive basis, it, in turn, influences the rate adjustment from other points in British Columbia.

For many years, eastbound rates on specific commodities from points in British Columbia—recognized as Pacific Coast terminals—to certain points in Western Canada as well as to destinations in Eastern Canada have borne a relationship to the rates on like commodities from the corresponding terminals in the State of Washington. The result is that rates from British Columbia points have thus been held down to a basis lower than what is provided for under the regular scale of the Canadian Freight Classification.

Under these competitive conditions, the rates from Vancouver to Winnipeg are influenced and controlled by the rates published by American lines, such as the Great Northern and Northern Pacific from Seattle to Winnipeg. The Vancouver-Winnipeg rate is a competitive one and the tariff so indicates, the rate being described as a competitive rate. The Seattle-Winnipeg rate on canned goods is \$1.42\frac{1}{2}\$ per 100 pounds, minimum 40,000 pounds, and \$1.26\frac{1}{2}\$, minimum 60,000 pounds. As a result of this and arising out of competitive reasons, there are these two sets of rates and minima applying from Vancouver to Winnipeg.

The competitive situation thus outlined has further influence in regard to the movement in British Columbia. The Winnipeg rates operate as a maximum carrying the rate of \$1.26½, with minimum 60,000 pounds, back to Regina and Saskatoon. The Vancouver-Winnipeg rate also applies as a maximum on Mission and Haney, shipping points on the main line of the Canadian Pacific directly intermediate to Vancouver, at distances of 41 and 26 miles respectively.

From Vancouver to Calgary, the regular fifth-class rate applies, regardless of the carload minimum weight; and the Calgary rate is also published to Edmonton. Rates to other points between Calgary and the destination territory to which the Vancouver-Winnipeg rates apply as maxima are keyed with relation to the differences between the Calgary and Winnipeg rates.

The rate adjustment from Vancouver, created under the conditions above described, necessitated a similar arrangement of different sets of rates and minima to the same destination territory from interior British Columbia points, in order to put the canners there on a basis relative to the Coast canners. Therefore, from Nelson, Brilliant, Vernon, Kelowna, Penticton and Kamloops to Winnipeg, the 24,000 pounds minimum carries the fifth-class Pacific distributing rates. The rates established for the 40,000 and 60,000 pound cars are based on the same percentage of the fifth-class Pacific distributing rates as the commodity rates from Vancouver to the same destinations bear to the fifth-class terminal rates. To Regina, the rates are established on the same basis, and to Saskatoon the Regina rates are applied. From Oliver, the rates are uniformly based on 2 cents per 100 pounds, over Penticton.

From the interior British Columbia points to Calgary, the fifth-class Pacific distributing rates apply, and this is also the basis of rates to Edmonton for cars of 24,000 pounds minimum. The rates to Edmonton for the 40,000 pounds and 60,000 pounds minimum are, in the case of Kamloops, the Calgary rate, and from the other representative interior shipping points they are based on the same difference under the fifth-class distributing rate as in the case of Kamloops.

The situation throughout, then, from British Columbia points eastbound, involved in the present application is a competitive one arising out of condition developed in connection with competing American lines, and this situation reacts not only on the Vancouver to Winnipeg movement but also on the rate adjustments from interior and intermediate points.

Under the provisions of sections 314 and 329 of the Railway Act competitive tariffs may be published by the railway companies and may specify tolls in respect to which the long and short haul clause, under the provisions of the Act, is not applicable; that is to say, if there is a special competitive condition existing between Vancouver and Winnipeg, a competitive rate may be published to Winnipeg which is lower than that applicable to intermediate points where the same competitive conditions are absent. It will be noted, with respect to these canned good rates, that the rates compelled by the competitive situation at Winnipeg are extended as maxima to intermediate points, although the same competitive condition does not exist in some of this intermediate destination territory. effect, however, is to place Regina on an equality with Winnipeg as to these rates, and as the distribution from both Winnipeg and Regina is under the town tariff mileage scale, the result is that both Regina and Winnipeg receivers of these canned goods pay the same rate inbound and they can both distribute the same distance east or west from Regina or Winnipeg on exactly the same rate basis.

A similar competitive situation prevails with respect to the eastbound com-

modity rates on canned salmon.

So far as rice is concerned, a competitive situation also exists here, although the competition is of a different character than prevails in the case of canned goods. The situation as to rice rates is very fully set out in the Board's Judgment in the application of the Mount Royal Milling and Manufacturing Co., Limited, Montreal, Vol. XV, Board's Judgments, Orders, Regulations and Rulings, p. 43. The Winnipeg and Regina rate is the same for the reasons set

out in this judgment at page 48.

A competitive situation exists at Winnipeg with respect to the rates on the commodities herein mentioned which, as a matter of fact, does not exist at Regina, although the latter point is accorded these competitive rates as maxima. Under such circumstances, before the Board could direct a further reduction below the normal rates to Regina, and which would be lower than the competitive rates applying to Winnipeg, applicant would require to make out a case for such reduced rates by the submission of evidence of the unreasonableness per se of the rates charged from Vancouver to Regina. No such evidence was submitted, nor does the record point to the existence of any unjust discrimination.

In concluding their submission as to commodity rates, applicants also ask for the establishment of commodity rates from Eastern Canada to conform with the commodity rates now in force from British Columbila points. The exact contention of applicants in this connection is not clear. Speaking generally, it may be stated that there is no competitive situation existing with respect to rates from eastern Canadian points to Winnipeg and Regina that is at all analogous or comparable with the competitive situation as between Vancouver and Winnipeg. Nothing was adduced alleging that there is any competitive situation at Regina which would warrant the establishment of special competitive rates from eastern Canadian points of origin to that point which would be the same or no higher than the rates to Winnipeg, which is 357 miles east thereof. This phase of applicant's submission was not developed in their oral representations at the Regina sittings.

There was a communication from the Yorkton Board of Trade dated October

23, 1925, endorsing the submission of the Regina Board of Trade.

File 34123.8

Complaint of Associated Growers of British Columbia, Limited

This complaint was first heard at Vernon, B.C., on July 7, 1926, at which time Mr. W. M. Scott, traffic manager for the association, read and filed his brief.

In this brief the opinion was expressed that the freight rates on fruit from the Okanagan valley to prairie points were unreasonably high and statements were filed giving comparison of rates in both the East and West in an attempt to show the disadvantage of the Okanagan shippers.

It was claimed that, despite the high rates charged, there had been continued increase in production; believed at present to be greater than that of the Niagara

peninsula.

Attention was directed to the fact that in Eastern Canada shippers have approximately seven million consumers within comparatively short distances from points of production, while the nearest markets to the Okanagan are Calgary and Vancouver; that the largest market was in Winnipeg, some 1,100 miles distant, and it was claimed as unreasonable that the Ontario grower should be able to reach this Winnipeg market at a considerable rate advantage.

Reference was also made to the disadvantage in export rates.

It was further claimed that the railways are making excessive profits from the carriage of fruit, and this phase of the case was enlarged upon at the hearing in Ottawa to which I will refer later. Cost of operation is, of course, an important factor, but the traffic department in establishing rates endeavour to make them such as will move traffic, having regard to competition, actual and market, without going into operating costs. In rate cases the cost question naturally arises in defence of the reasonableness of the rates which are attacked.

Treating the rate situation, first from a tariff standpoint.

Originally the rates on fruit to prairie points were based in the following manner: the shipping and destination territory was divided into groups of 100 miles and the central point in each group was used as a basing point, Twin Butte being used as the western boundary of destination territory. Commodity rates were then established on a general basis considerably lower than the class rate, and use was made of certain constructive mileages.

These rates were subject to the various increases and reductions, but in 1922 when there was a change in the Pacific standard by reducing the mileage differential, the rates in the fruit tariff were adjusted to reflect the change. At present the Pacific distributing basis applies as maximum in connection with

these fruit rates.

On sheet one of exhibit one filed at Vernon, comparison is made between the commodity rate on apples from Okanagan Landing with the fifth class rate from Fort William for equivalent distances. The basis of class rates from Fort William was prescribed in the Board's judgment in the Western Rates Case and is based on constructive mileage to Winnipeg. No such basis applies from the Okanagan district.

On sheet two of the exhibit a comparison is made between commodity rates on apples from Okanagan Landing and commodity rates on the same traffic from Fort William for equivalent mileage.

There is no movement of apples originating at Fort William and if any such traffic reaches that point by water, the volume must be very limited, and a mere comparison of rates where there is no movement is of little value.

On the third sheet of exhibit one comparison was made between commodity rates on fruit, carloads, from Okanagan Landing, with rates from Hamilton for equivalent distances. I find, however, that the points shown as destinations from Hamilton, are all flag stations, to which there would be no movement.

On sheet four of the exhibit, comparison is made between the rate on apples, carloads, from Vernon to Winnipeg, of \$1.13 for 1,177 miles, with the rate from Grimsby of 85 cents for 1,286 miles. The rate to Kenora from Grimsby is also shown on this sheet, but it is merely the Winnipeg rate applied as maximum.

The relation between the commodity rate and the 5th class rate on apples, is, however, in favour of Vernon shippers, for example:-

		Commod-	Reduction from class rate
Vernon to Winnipeg Grimsby to Winnipeg	1 65 1 14	\$ cts 1 13 85	% 31·5 25·4

Sheet five of exhibit No. 1 is of no value for the reason that the mileages shown are incorrect:-

Welland to Heron Bay is 688 miles, not 780 miles. Hamilton to North Bay is 256 miles, not 360 miles. St. Catherines to Nicholson is 557 miles, not 519 miles.

On sheet six of exhibit No. 1 comparison is made between rates from Vernon and Kelowna with rates from Hamilton. The distance from Hamilton to Vaudreuil is 349 miles, which approximates the distance from Vernon and Kelowna to Calgary, and the distance from Hamilton to Megantic is 543 miles as shown.

The rates from Hamilton to Montreal and intermediate points are subject to water competition and the rates to points east of Montreal, being built on arbitraries, necessitate a lower basis of rates, but as there is no water competition in the movement from the Okanagan District, I do not think this is a proper comparison. However, it is a well-known fact that certain rates in Eastern

Canada are lower than those in the West.

The rate on apples from Kelowna to Winnipeg is \$1.13 per 100 pounds. In making rates on fresh fruits and vegetables from British Columbia the railways have worked, as in the case of other commodities from British Columbia, on the basis of flattening out the rates to long haul points, and this \$1.13 rate has been blanketed back as far as Merse, a distance of 472 miles west of Winni-West of Morse the normal basis is applied. The normal freight rate on apples, in carloads, to Winnipeg would be \$1.43 from Kelowna, or a difference of 30 cents per 100 pounds. To Brandon the normal rate on apples would be \$1.32 as against the \$1.13 rate applied. There is undoubted competition at Winnipeg with the American shippers in the State of Washington, from which this same rate of \$1.13 is applied, while the same lines publish from Washington to St. Paul a rate of \$1.28 per 100 pounds, although the haul is some 300 to 500 miles greater than from Kelowna to Winnipeg. The base figure for the present rate to Winnipeg is 75 cents per 100 pounds, which was the rate then applying from Washington points to St. Paul, so that there has been an increase of 53 cents per 100 pounds in the St. Paul rate compared with the increase of 38 cents to Winnipeg during the same period.

In connection with the claim that there was competition in Manitoba with low grade apples from Eastern Canada, Mr. Flintoft, in examination of Mr. Stephen, Volume 498, Page 2932, presented figures as to the movement of carloads of apples and fresh fruit from British Columbia as compared with Ontario to Manitoba and Saskatchewan for the year 1926. To Manitoba, where

the competition is claimed, the figures were as follows:

	Fro British (From Eastern Canada		
Te	Apples	Fresh fruits	Apples	Fresh fruit	
Winnipeg Portage La Prairie. Brandon	329 17 54	99 3 16	22 Nil 4	N N	

The shipments from Eastern Canada shown above include some grapes which are not shipped from British Columbia. These figures do not indicate very serious competition.

At pages 8644 and 8645, Volume 467 of the evidence, during the cross-examination of Mr. Scott by Mr. Flintoft, it was admitted that the Okanagan shippers relatively to their competitors as far as the prairies are concerned, have a commanding position, also that the competition in Eastern Canada was not with the Canadian grown fruit, but with fruit brought in from American points under transcontinental rates. In this case it was shown that the duty on American apples was 30 cents per box or about 75 cents per 100 pounds. It was argued that the production costs, plus duty, were lower in the Western States than in the Okanagan District. It was also admitted at pages 8639 and 8642, Vol. 467, that there was no competition at Calgary and Okanagan shippers had the monopoly at Edmonton.

The export rate on apples from Vernon to Vancouver is 40 cents per 100 pounds, the distance being shown by complainant as 342.9 miles. It was argued that this rate was unreasonable as compared with an export rate of 39½ cents from Grimsby to St. John, a distance stated to be 713 miles.

The Canadian Pacific Railway distance, Vernon to Vancouver, via Sicamous, is 381 miles, and the shortest distance Grimsby to St. John, (H.G. & B. and C.P.R.), is 869 miles.

The $39\frac{1}{2}$ cent rate from Grimsby is the 5th class export rate, but it is quite improper to make comparison with St. John, for the reason that this rate is made in competition with movements via other scaports, being but 2 cents higher than the rate to Montreal. The basis of export rates from Ontario was prescribed by Order of this Board No. 586, dated July 25, 1905, and such Order established from the Niagara peninsula, rates based on 70 per cent of the current Chicago-New York rate, with a lower basis on shipments to Montreal (the Philadelphia basis).

The comparison should properly have been made with the export rate from Grimsby to Montreal, which is $37\frac{1}{2}$ per 100 pounds, the distance being 384 miles, or practically the same as the Canadian Pacific distance from Vernon to Vancouver via Sicamous.

Having regard to the general rate difference in British Columbia the 40 cent rate does not seem to be unreasonable as compared with the rate to Montreal.

Reference was also made to the export rate on apples via eastern ports, and it was contended that if a lower rate was granted it would encourage greater volume via such ports. The present rate of \$1.50 applies to Montreal, Quebec, St. John, Halifax, Portland and Boston and is the same rate as applied to Montreal, Toronto, etc., for domestic use.

The distance from Vernon, B.C., to Montreal, is 2,594 miles, and to St. John. 3,060 miles, and this rate certainly compares favourably with the Winnipeg rate of \$1.13 per 100 pounds, which, of itself, is a low rate. It is not claimed that export shipments of apples will be increased, but merely that part of the traffic will be diverted from Pacific to Atlantic ports. I fail to see any merit in this contention, and the rate is now on such a low basis that I could not consistently recommend a reduction.

At the hearing in Ottawa on December 7, 1926, exhibit 122 was filed and described as follows:—

Statement showing gross revenue, cost of operation and net profit on movements of 1926 fruit and vegetable crop August 8 to November 24, from the Okanagan valley of British Columbia.

The statement covers 4.822 cars and shows considerable net profit on movements to various territories. The figures under the heading "Freight Revenue" were stated to be arrived at as follows:-

Kelowna was taken as a representative shipping point. The average mileage was determined from actual movements to the four western provinces, and the point having mileage approximate to the average was taken as a base for each province. For British Columbia, Vancouver; Alberta, Medicine Hat; Saskatchewan, Moose Jaw; Manitoba, Portage la Prairie, Fort William and Kenora, where movement was small, were included with Manitoba.

For Eastern Canada, Montreal was taken as the representative point and export shipments were also shown via Atlantic and Pacific ports. The charge per car to the representative point was then multiplied by the number of ears shipped to the particular province and the result was shown as freight revenue, for example:-

The charge per car to Medicine Hat was shown as \$275, the number of vars, 868, and \$275 multiplied by 868 produces \$238,700, which is shown as the

freight revenue for Alberta shipments.

The cost of operation was arrived at by using 17½ tons content, and 30 tons tare, per car, or 471 tons loaded weight, and multiplying this by the miles in each operating district over which the traffic would pass to obtain the gross ton miles. These latter figures were ther multiplied by the cost per gross ton mile shown at page No. 51 of exhibit F.H.-99.

For empty car movements, the number of cars was multiplied by the 30 gross tons (tare) and applying the percentage of empty to loaded car move-

ments for 1925 as given on page 36 of exhibit F.H.-99.

The method of arriving at the representative point in each province, and the mileage used, is more particularly described by Mr. Scott on page 17479, Vol. 487, as follows:-

In arriving at a destination, such as Medicine Hat, Alberta, I took into consideration shipping points such as Pentieton, Summerland, etc., which as you know are south of Kelowna, also destinations that we move to in Alberta, and the mileage, at least the average mileage, is arrived at by taking all shipping points as against all destinations, and we get Medicine Hat as a basis to compute my figures.

Again at page 17480:-

The total of 832 miles from Kelowna to Moose Jaw is mine; that contains 262 in British Columbia, 460 in Alberta, and 110 in Saskatchewan.

Again at page 17481:-

The average struck was \$28, so we took Moose Jaw on account of the 832 miles.

Kelowna to Portage la Prairie is the average mileage which I figured out at 1,175 miles. The actual average mileage to Manitoba is 1.163 miles and by taking out the figures on mileage we found 1,175, which gives us Portage la Prairie, so we used Portage la Prairie as the basis.

Mr. Fraser at page 18319, Vol. 489, stated that so far as the Canadian National lines were concerned, the refrigerator cars used in this fruit business were all rented and that the cost was 2 cents per mile. He also stated that the empty car movement was 100 per cent and the Canadian Pacific Railway like-

wise stated that their empty car movement was 100 per cent.

On January 28, 1927, exhibit 122-B was filed, following request of Mr. Fraser, which showed revised figures for part of the season's shipment, on the basis of 100 per cent empty car movement and 2 cents per mile rental for Canadian National shipments. It was admitted in evidence that the statement was based on Canadian Pacific Raiiway cost figures, but because of the operating advantage of the Canadian National Railways, it was considered a fair basis to apply.

Based on 100 per cent empty car movement the figures in exhibit No. 122 would be considerably changed. For British Columbia, the cost of operation would amount to \$124.13 per ear, instead of \$93.80 as shown, or a profit of \$45.87 per car, instead of \$76.20. and the total operating cost for British Columbia would be \$61,692.61, instead of \$46,618.60. If the 2 cents per mile rental for Canadian National shipments was added, the cost of operation via that line would be further increased.

In the movement eastbound some errors in mileage have been made and lake operations have been included; for example, Kelowna to Moose Jaw has

been divided:-

British Columbia, Kelowna to Field. Alberta, Field to Swift Current. Saskatchewan, Swift Current to Moose Jaw	262 miles 460 miles 110 miles
Total	832 miles
The proper figures should be:—	
British Columbia, Kelowna to Field	250 miles 464 miles 110 miles
Total	824 miles

All of the movements from Kelowna via Canadian Pacific Railway would include 28 miles of lake operation, not included in the average operating costs shown in exhibit F.H.-99.

The gross ton mile costs shown in exhibit F.H.-99, for operating districts, are for all traffic, and Mr. Lloyd testified that it was impossible to figure the cost of moving any particular kind of traffic. It was further shown that the gross ton miles included caboose miles and non-revenue freight miles. Also that to cover the company's requirements the system figure of .00323 per gross ton mile shown on page 51 of exhibit 99 should be increased by 84.5 per cent or to .00596.

At page 1522, vol. 495, Mr. Lloyd stated:—

I have nothing to guide me whether non-revenue traffic is greater in one district than in another district. I have got it by lines East and lines West.

In view of the fact that it is impossible to segregate all costs by districts, further that costs of carrying any particular kind of traffic cannot be determined, it follows that the figures shown in Exhibit No. 99 do not indicate actual cost of moving fruit traffic and exhibit No. 122 cannot, therefore, be

considered as in any way conclusive.

The fact, admitted by complainants, that fruit produced in the Okanagan has had a steady increase; that shippers are in a commanding position as far as the prairies are concerned, with the possible exception of Winnipeg; and that the competition at this point is principally with shipments from the State of Washington, where any change in rate will immediately be reflected; also the fact that the fruit business is seasonal traffic, requiring special equipment, and service only second to passenger service, leads me to the belief that the general pasis of fruit rates from the Okanagan should not at the present be disturbed.

File 34123.10.1

T. H. Estabrooks Co. Ltd., St. John, N.B.

What is here involved relates to rates on tea and is tied up with the rates under suspension by Order of the Board No. 37572, dated May 10, 1926, which tands for hearing at next sittings of the Board in Western Canada and cannot, herefore, be disposed of at this time.

File No. 34123.12

Submission of the City of Winnipeg and the Winnipeg Board of Trade

At the hearing of this case in Winnipeg on June 15, 1926, Mr. Preud'hemme stated the complaint was one of discrimination; that Winnipeg had not been given the benefit of its geographical position; that in 1881 the city made an agreement with the Canadian Pacific to encourage the establishment of a distributing centre. By this agreement the company were to have tax exemption forever and was also paid a bonus. Shops and stockyards were to be established and this undertaking was carried out, but that the real purpose of the contract was the establishment of a distributing centre, which the railroads, at the time, recognized.

It is claimed that the distributing business at Winnipeg is gradually falling off and Exhibit No. 3, showing an index of wholesale houses and manufacturers for 1907-1926, also exhibit No. 4, a statement of failures, were filed in support of the claim of depression in business. It was also claimed the rates permitting

Eastern competition were partly responsible for this depression.

Mr. Preud'homme stated the rate should not break at Port Arthur, but at Winnipeg, which was the logical place, and that the differential should be no more than at Port Arthur. The word differential, as used throughout this case, means the difference between the through rate and the combination of rates to and from an intermediate point. Exhibit No. 6 was filed for the purpose of showing the increase in differentials from 1914 to 1922, and exhibit 6-A, the increase of 1926 over 1917. Exhibit No. 7 shows a decrease in the differential at Fort William as compared with an increase at Winnipeg. Exhibit No. 12 was filed for the purpose of showing switching operations involved at Winnipeg in the movement of a through car in and out of Winnipeg, as compared with a carload for local delivery, and Mr. Preud'homme stated he considered a reasonable charge for the extra service would be 6 cents per 100 pounds. At page 7233, Vol. 464, Mr. Flintoft in cross-examination:-

Q. Can you tell us how traffic moves from the East to Winnipeg, for instance carload

or less than carload?—A. You mean in our Exhibit here.

Q. I mean in the ordinary course of business?—A. Practically all carload.

Commissioner Oliver:

Q. Those figures I was asking about related to carloads, not less than carloads?—A. They are based on 5th class carload rates.

(). Both through to Winnipeg and then from Winnipeg to other points as to carloads?

Q. Has it anything to do with Less than Carloads?—A. Nothing.

Q. That is what I was following up. Take traffic out of Winnipeg to a point such as Yorktown for instance, how does it move?—A. To a great extent in carloads.

At page 7237, et seq., the following discussion took place concerning the movement of this 5th class carload business in and out of Winnipeg.

Q. The question was whether there were any direct shipments from Eastern points to points on the Prairies other than the distributing points named on the Tariff. You said no, not in any great quantity. Am I correct in saying that you would consider the quantity would be negligible?—A. To outside points I would say yes, to other than distributing

Q. Other than distributing points?—A. Yes.

Q. Therefore the competition is felt under the present rates as regards the distributing points which are in the tariff?-A. Yes.

Q. Instead of shipping goods to Winnipeg, they are shipped directly on the through rate to distributing points, and from there distributed to local points?—A. Yes.

Mr. FLINTOFT: Q. Mr. Newson, from these other distributing points, they are distributed in less than carload lots?—A. Yes.

Q. Practically altogether?—A. Practically altogether. Q. Just the same as they are from Winnipeg?—A. Yes.

Q. I suppose your competition is with those Western Distributing points?—A. Eastern points.

Q. You do not worry about the competition of the Western Distributing points?—A. I

would not say that we do not worry about it.

Q. Will you say that the movement of traffic in carload lots from the east to any of those local points is negligible?—A. To local points other than the distributing centre?

Q. You would hardly expect to sell at a point like Saskatoon in competition with a distributor there?—A. Yes, we would.

Mr. McEwen: Q. Why do you say that?—A. Because the wholesalers here and the other houses import more than they can possibly do at a point like Saskatoon.

Mr. Symington: Is your idea, that you are prepared to compete with any place on the prairie, provided the extra service which the railways render by reason of having to switch their goods here is charged at a proper rate?

Mr. NEWSON: Yes.

Mr. Symington: That is, your complaint is that the differential now established between shipments in carloads to Western points by the East is too high compared with the services the railways render?—A. Yes.

Q. And it should be reduced to a differential roughly equal to the switching charges,

which you put at 6 cents, as compared with shipments through?—A. Yes.

Mr. Flintoft: Q. Would you mind telling the Board how shipments are made into Winnipeg? I suppose they come in on bill of lading and delivery of shipment is taken?

Mr. Newson: Yes.

Q. And the wholesale distributing house, when it gets an order from a local point further west, makes a new L.C.L. shipment with a new bill of lading?—A. If it is a Less than carload order, yes.

Q. Or even a carload order?—A. Yes. Q. An entirely new transaction?—A. Yes.

Mr. Preud'homme, in presenting his argument, Vol. 507, page 6699, stated that the city of Winnipeg had made a joint submission with the Winnipeg Board of Trade asking for a reduction in the combined rate on movements from eastern points to Winnipeg and movements out from Winnipeg to common points in the West, as compared with the through rate from Eastern points to the same point; that the submission dealt only with movements in carload lots to what are recognized as distributing points. To quote:-

We make that submission for the reason that since the horizontal increases were made Vinnipeg has been failing as a station of competition with Eastern jobbers and wholesalers; he jobbers and wholesalers in Winnipeg have found it difficult to hold their own. The city us felt that in its municipal finances. The city of Winnipeg has also felt the strain of ompetition to which I referred a minute ago. If I need any excuse for being before this ommission, that is the reason I am asking you to examine the position of Winnipeg as

ompared with that of the units further west.

The applicants abandoned their request to have put in effect the same lifferential as existed at Port Arthur and stated at page 6607:-

So that in assuming the attitude we have taken and asking for only a part of what we nink we should have, we are taking into consideration the interests of the West in addition the interests of the railways so far as their revenues are concerned and our own interests of far as the railway service is concerned. We have been forced to come for omething because of the effect which the horizontal increases have been having upon the usiness outlook in Winnipeg. I quite admit, and nobody can help admitting that we are sking for a change on no very scientific basis, we are simply asking for some means of utting ourselves back in the position in which we were before these horizontal increases me into effect.

At page 6708:-

We are asking for the through rate which the eastern house gets to the Western point us 6 cents being a fair charge for the switching which is necessary to be performed in innipeg.

At page 6709:—

I know you made some suggestion to Mr. Pitblado about it being simply carrying out nat existed when the Traders' tariffs were in existence. It is not exactly the same. As u will remember we say we are asking this as an alternative to what we otherwise should ve, that is, the breaking of the rate at Winnipeg, and the consideration of the effect which 62863-24

it might have at this time. We are asking this, which is, perhaps, a clumsy expedient, but it is better than the other. That is the way I will put it. We say we are asking for it not only for ourselves but for all Western points as well.

The evidence which I have quoted shows that the movements to the smaller points in the West are practically all L.C.L., and that the carload movements would be to the larger centres which themselves are distributing centres. Winnipeg being the largest and oldest distributor, also being located at the eastern end of the distributing territory, would be in a better position than any one of the other distributing centres to make use of this rate arrangement if granted. It would enable Winnipeg to place cars of 5th class goods at other distributing centres in competition with the East, but if branch houses were established, there would be introduced direct competition at such centres.

Mr. Flintoft's examination of Mr. Newson, quoted above, showed that this 5th class traffic would come into Winnipeg on a bill of lading and delivery would there be taken. On the outward movement an entirely new contract would be made and a new bill of lading issued.

This must necessarily be the only method possible as the car does not come to Winnipeg and go forward to another destination; it is unloaded and the contents put into stock; and the car that goes forward is an entirely new shipment made up from goods received in various cars and at various times. It is not a stop-off arrangement.

It is claimed that if the through all-rail rate is applied from Eastern Canada to final destination, plus 6 cents, Winnipeg can successfully compete with eastern jobbers.

In actual practice, however, the railway will not receive the through allrail rate, plus 6 cents, on the majority of the business. The carload traffic largely moves to Winnipeg on lake and rail rates, or all water to Fort William, and it would be impossible to identify the outward contents of cars to ascertain the rate paid into Winnipeg. The only thing the railway could do, if the proposed arrangement was made effective, would be to charge on the outward cars the difference between the all-rail rate to Winnipeg and the all-rail rate to destination, plus 6 cents.

Take Moose Jaw as a final destination; the actual contents might consist of 5,000 pounds which had paid an all-rail rate of \$1.14 to Winnipeg and 19.000 pounds which had paid lake and rail rate of \$1.08. The freight to Winnipeg would be \$262.20.

The all-rail rate, Eastern Canada to Moose Jaw, is \$1.61, and the charge on 24,000 pounds at that rate, plus 6 cents, would be \$400.80.

The railway should properly receive, under the proposed arrangement, as charges Winnipeg to Moose Jaw, the difference between \$262.20 and \$400.80 or \$138.60, but as they could not identify the contents which paid the different rates, they could only charge 53 cents per 100 pounds (the difference between \$1.14 and \$1.67), or \$127.20.

If the inward car was all water to Fort William, thence rail, the charge to Winnipeg would be 24,000 pounds at \$1.08 or \$259.20. The outward charg would be \$127.20 or a total of \$386.40 which is the charge at the all-rail rate o \$1.61 to Moose Jaw.

The railway in this case would not receive the 6 cents proposed to cove switching at Winnipeg, but charges at the through all-rail rate only.

The proposed arrangement, if made effective, would cause a serious loss of revenue, and based on shipment through Winnipeg, the reduction would be a follows:—

Destination	
Portage La Prairie	Reduction
	7 cts.
Regina. Moose Jaw	9 cts.
Moose Jaw.	9 cts.
Yorkton. Saskatoon.	7 cts.
	8 cts.
Estevan. Weyburn	9 cts.
Weyburn Swift Current	6 cts.
Swift Current. Medicine Hat	7 cts.
Medicine Hat	11 cts.
Redcliff	11 cts.
Calgary	8 cts.
Lethbridge. Camrose.	6 cts.
Camrose Edmonton.	9 cts.
Edmonton	8 cts.
Edmonton. Red Deer.	6 cts.
	6 cts.

There are a number of factories located in Winnipeg, some of which manufacture goods rated at fifth class in carloads. Under the proposed arrangement there would be nothing to prevent the inclusion in these outbound cars of such goods. Furthermore, goods are received from the south and part of these might also be included. Under these circumstances, the railway company would only receive a proportionate rate on business which originated in Winnipeg or was imported from the United States.

Similar cases have been before the Interstate Commerce Commission and I

quote below from their decisions:-

The theory of equalizing jobbing rates by equalizing the in and out rates from competing jobbing centres is impracticable, even if it might be assumed that the rate factors necessary to bring about such equalization would always be fair and reasonable.—Hutchison Traffic Bureau vs. C.R.I. & P. Railroad, 43 I.C.C. 689, 693.

The question of rates to and from jobbing points has been and is continually being pressed on our department by complaining shippers. The desire of jobbers located at various points is to have rates into and out of their particular point classed so that through rates to consuming territories shall be the same no matter through which point the traffic moves. It is well settled that undue prejudice and disadvantage against a distributing point cannot be predicated merely upon the fact that the combination of inbound and outbound rates exceeds the combination via a competitive distributing point.—Rates on Knitting Factory Products, 25, I.C.C. 634-639.

The Commission cannot because of the disability of some particular territory which prevents it from competing with others on even terms, requires carriers to accord rates

unreasonably low.—1915 Western Rates Advance Case, 35, I.C.C. 497, 624.

Regulation of commercial competition is not the Commission's function; that is to say, its powers do not extend to the preservation of rates in order to enable one point or community to compete on approximately equal terms with another irrespective of other transportation factors.—Natchez Chamber of Commerce vs. L. & A. Railway et al, 52, I.C.C.

Mr. Preud'homme admits that his proposal is not on any very scientific pasis and is perhaps a clumsy expedient. In my opinion it is more than that, t is unworkable and impracticable and contrary to any rate practice in Canada.

I have shown that the railway will not receive the all-rail rate from Eastern Canada to destination, plus six cents, on all traffic, and probably on very little of the traffic; that the railway would not only suffer a serious reduction in the present rates on traffic from Eastern Canada, but would also not receive their proper rate on goods manufactured in Winnipeg or imported from the United states. The proposal would also destroy the present distributing rate arrangenent on carload business and would, I believe, benefit Winnipeg only.

I therefore recommend that the application be dismissed.

File 34123.13.1

City of Quebec

This submission had reference to agreements between the city of Quebec nd the Quebec and Lake St. John and Great Northern Railway Companies of anada (now part of Canadian National Railways) and the obligations of the 62863-243

railway company flowing from such agreements. At sittings of the Board January 19, 1927, Vol. 492, page 739, the counsel for the city of Quebec suggested that consideration of this matter be postponed to a later date and dealt with as an independent issue outside of the matters involved in the General Freight Rate Investigation.

File 34123.14.1

Complaint of Gillies Brothers, Ltd., Braeside, Ont.

This is a complaint alleging that, with respect to various increases in rates since the pre-war period, the advances in rates on lumber from the Ottawa valley, and Braeside in particular, are disproportionate to the increases in lumber rates generally. The complaint covers rates between points in Canada, also from points in Canada to United States destinations. Complainant's written submission is dated August 14, 1925, and the matter was also spoken to at

sittings of the Board in Ottawa January 5, 1926.

The complaint is launched in very general terms and was not very specifically developed at the Ottawa sittings. As to an increase in the rates from Braeside dispreportionate to the increases generally, reference was made to the increase from Pacific coast mills, and within western Canadian territory. It is a fact that under the Orders authorizing rate increases, and particularly Order in Council P.C. 1863, July 27, 1918, many eastern rates were increased to a greater extent than western rates. This does not indicate that, as a result, the eastern rates are to-day necessarily higher than in Western Canada, and there was nothing put on the record, either by the complainant or the railway companies, making such a comparison. The disparity in the amount of increase permitted in the West as compared with the East was not confined to lumber, but was applied generally to all commodities. Further, by P.C. 1863, lumber rates were increased by a special percentage of 25 per cent, but with a maximum increase of five cents per 100 pounds, so that the increases would, in some cases, be disproportionate, in that a rate of 16 cents would be increased 25 per cent, or to 20 cents, while a rate of 50 cents would only be increased by five cents, so that if this is what is meant by disproportionate increase, then, of course, it is a fact, but it applied generally throughout the territory and is not evidence of unjust discrimination. As already stated, specific comparisons as evidence of alleged discrimination were not put on the record. Ottawa sittings complainant stated that a further submission would be filed dealing with this phase of the matter, but this has never been forwarded.

In regard to the rates from Braeside to Ottawa, Montreal and Toronto, referred to by complainant, the carriers state they are on the same basis, or lower, than from other Canadian points to the same destinations, and no evidence was adduced by complainant indicating that to common markets, other points of similar mileage therefrom are provided with lower rates than published from Braeside. With regard to the rates from Pacific coast mills, there are special competitive conditions existing here which have had the practical effect of creating a maximum rate beyond which the rail carriers could not go if any of this

traffic is to be secured for rail movement.

Complainant contended that the rates on lumber should be based on a fixed or uniform rate per ton per mile, applied to this lumber traffic over the country as a whole, and regardless of length of haul, and apparently the fact that rates are not to-day so constructed is also embraced in complainant's allegation regarding a disproportion in rates. For example, complainant, pointed out that the rate per ton per mile for a haul of 500 miles was lower than for a haul of 175 miles, and it was suggested that the present rate per ton per mile, as applied for the longer distances, should be used in connection with the shorter hauls, the

result of which would be to reduce all the present short haul rates. There are a great many so-called long haul rates with varying rates per ton per mile, and it is not clear from complainant's submission what particular long haul rates he contends should be taken as the basis from which such reductions should be worked out. In this connection, however, it may be pointed out that it is a long recognized principle of rate-making, not only in Canada, but other countries, that where special or competitive conditions do not exist, the rate per ton per mile normally decreases with increasing length of haul. This is not a principle of rate-making that governs only in connection with lumber, but has general application to all classes of traffic, so that if what is here suggested by complainant is logical as applied to lumber, the same principle should govern other traffic as well, which would involve a very radical departure from long established and current rate-making principles. Unless the carriers' revenues were to be very materially reduced, complainant's theory could only be worked out by some readjustment that would, in the aggregate, provide approximately the same revenue for the carriers as they obtain to-day. Aside from the fact that such an adjustment would disrupt the present freight rate structure and meet with much opposition, the proposition here put forward is not considered to be a practicable one.

So far as the complaint relates to rates from Canadian to United States destinations, the matter of international rates is to be dealt with outside of the General Freight Rate Investigation.

File 34123.18

Application of Dominion Sugar Company, Limited, Chatham, Ont., for a reduction in mileage rates on Sugar Beets to Chatham and Wallaceburg, Ont.

Heard at Windsor, January 12, 1926

This application is for a change in the mileage scale of rates on sugar beets which was prescribed by the Board's Order No. 31709, following judgment of Mr. Commissioner Boyce, concurred in by Chief Commissioner Carvell.

In the first paragraph of my report of October 19, 1921, I quoted my instructions from the Assistant Chief Commissioner, in the following language:—

He suggests that I work out a table of rates for consideration to show what can be done in the way of constructing a mileage scale not exceeding 35 per cent.

Owing to the diversity of specifics, I found it impossible to produce a reasonable scale based exactly on 35 per cent, and the examples given in the fifth paragraph of my report make this apparent. A rate was fixed for the 25 mile group (minimum) of $4\frac{1}{2}$ cents per 100 pounds; for the 86-90 mile group, $7\frac{1}{2}$ cents; and for the 96-100 mile group, 8 cents per 100 pounds; the rates for the other groups being reasonably scaled; all of which is explained in my report. The scale, was, however, considered a reasonable one for use on all railways and to replace the discriminatory specific rates which had been charged in the past. The Canadian Pacific Railway had no specific rates, and effective August 12, 1918, traffic over that line was moved on mileage rates. The Grand Trunk also on that date moved traffic on mileage rates into Chatham and Wallaceburg, but had specific rates for distances 91 miles and over into Kitchener. I have worked out a scale based on 25 per cent increase of the average specifics and mileage rates for the various groups, which is given below under column 'A," and also show the present scale of rates under column "B."

Distances	Column "A"	Column "B"
Not over 25 miles	$ \begin{array}{c} 0_{2} \\ 7_{1} \\ 7_{2} \\ 7_{1} \\ 8_{2} \\ 7_{1} \\ 8_{3} \\ 8_{4} \\ 8_{4} \\ 8_{5} \\ $	4½ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5

It will be seen that changes in rates would be necessary to avoid violation of the long and short haul clause. The rate of 7 cents for group 75-80 miles must be increased to $7\frac{1}{2}$ cents, and for the groups 95-100 and 110-115 miles from $7\frac{1}{2}$ cents to 8 cents. When this is done the rates of Column "A" would be the same, or higher, than present rates for distances up to 100 miles. For group 100-110 miles they would be $\frac{1}{2}$ cent lower, and for group 110-115 miles 1 cent lower.

As stated in my report, no data as to the effect of the revised scale could be furnished as we were not in possession of any information as to the tonnage

moving from the different mileage groups.

Applicant has now submitted figures for the movement of the 1924 crop, and I observe there was no movement of more than 100 miles over the Michigan Central. Pere Marquette, Canadian Pacific, or Chatham, Wallaceburg & Lake Erie railways, and on the Canadian National Railways less than 5 per cent of the traffic was moved for distances greater than 100 miles. If rates as shown in column "A" were applied, the total freight charges on the 1924 crop would be very much higher. As further example of the reasonableness of the present scale of rates on sugar beets. I give below comparison of mileage scales on low-grade commodities, and it will be observed that the scale for the sugar beets is in many cases lower. It should be especially noted that the mileage rates on sand and gravel, which were not increased under General Order No. 308, are in some cases higher than the scale for sugar beets.

Miles	Sugar Beets	Ice	Agricul- tural Lime- stone	Coal Cinders	Rubble Stone	Sand and Gravel
Not over 10 miles	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	$\begin{array}{c} 4\\ 4\\ 4\\ 4\\ 4\\ 2\\ 5\\ 5\\ 5\\ 5\\ 5\\ 5\\ 5\\ 6\\ 7\\ 7\\ 8\\ 8\\ 8\\ 8\\ 9\\ 9\\ 9\end{array}$	$egin{array}{c} 5_{1_{2}^{1},1_{2}^{1}} \\ 5_{1_{2}^{1},1_{2}^{1}} \\ 6 \\ 6_{1_{2}^{1}} \\ 7 \\ 7 \\ 7_{1_{2}^{1}} \\ 8_{1_{2}^{1}} \\ 8_{1_{2}^{1}} \\ 8_{1_{2}^{1}} \\ 8_{1_{2}^{1}} \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ \end{array}$	$\begin{array}{c} 4\frac{1}{2} \\ 5 \\ 5 \\ 5 \\ 2 \\ 7 \\ 7 \\ 7 \\ 7 \\ 7 \\ 7 \\ 7 \\ 7 \\ 7$	$4\frac{1}{2}\frac{1}{12}$ 5 6 6 $6\frac{1}{2}$ 7 7 8 $8\frac{1}{2}$ 9 9 $16\frac{1}{2}$ 11 11	3444555666777777

The Dominion Sugar Company asked for a reduction in rates based on 771 per cent of the present scale, which they state would reflect the 10 per cent decrease under General Order No. 350. I have shown that the scale now in effect was not based on 35 per cent increase, except in certain groups, and that the balance of the rates were reasonably scaled. The net result was much less than 35 per cent over the rates in effect on August 12, 1918.

Applicant attached a statement of freight charges paid under the present scale, and also what would have been paid under the rates of August 12, 1918, and submitted that the increase amounted to 47.7 per cent on the crop move-

ment of 1924.

On this crop movement the increase on the C.N., C.P. and P.M. railways amounts to, approximately, 17 per cent, and the large increase in the Michigan Central movement is due to the fact that single-line specifics were at one time applied for joint hauls, while the mileage scale prescribed by the Board was for one-line movement only, with a deduction to and from junction point on joint movements. This is the common practice in connection with all mileage scales.

The increase on the Chatham, Wallaceburg and Lake Erie Railway was due to the fact that the rates on that line were abnormal, running as low as 11 cents and 2 cents per 100 pounds, and the total mileage of the railway brings it within the first two groups of the mileage scale. Rates of this company

were disregarded in my calculations.

The mileage scale is for uniform application by all companies in substitution for other mileage scales or specifics, and while it does not give the C.N., C.P. and P.M. the percentage increase allowed by the Board on other commodities, it does remove discriminations and abnormally low rates and, on the whole, I consider it a reasonable scale, which up to 100 miles is the same or lower than if based on 25 per cent over an average of all the rates of 1918, except those of the C.W. & L.E. I, therefore, recommend that the application be dismissed.

File 34123.19.1

Submissions of the Canada Paper Company, Ltd., et al, re rates on Paper and Paper Products

This submission was presented by Guy Tombs, Limited, on behalf of-

Canada Paper Company, Limited, Donnacona Paper Company, Limited, Howard Smith Paper Mills, Limited, Laurentide Company Limited, Belgo Canadian Paper Company Limited,

and relates to the rates on paper and paper commodities from Windsor Mills, Grand Mère, Crabtree, Donnacona and Shawinigan Falls, Que., to points in Ontario; and also, so far as the Canada Paper Company, Ltd., is concerned, alleged discrimination in the adjustment of the rates from Ottawa to the Maritime Provinces as compared with the rates assessed from Windsor Mills, Que., to Ontario points.

It is set out that for a number of years, prior to the so-called 15 per cent increase in freight rates authorized in 1917, rates from mills of complainants to Ontario points were maintained on fixed arbitraries over the current rates

in effect from Ottawa as follows:-

Windsor Mills	
	3 cts.
Donnacona.	
	4 ote

whereas these differences are new at a higher figure, owing to the disruption of the relationship by the various percentage increases in rates since 1918. The restoration of rates from these points by the publication of the same arbitraries over Ottawa as were in effect prior to the Eastern Rates Case, is asked for.

It was urged by complainants that recognized differentials or arbitraries should be preserved, and in this connection reference was made to Order in Council P.C. 1863 and certain Orders of the Board. In Order in Council P.C. 1863, dated July 27, 1918, it was set out that in establishing the freight rates therein ordered, while established rate groupings and fixed arbitraries were not required to be used, their use was desirable, if found practicable, even though certain rates might result which would be lower or higher than would otherwise obtain. It will be noted the observance of differentials was not made manda-

tory.

Again, in Board's judgment in connection with General Order 308 of September 9, 1920, it was stated that while the principle of percentage increases must necessarily disrupt rate relationships between points of production, it was considered important in the working out of the tariffs that such recognized differentials as referred to should be preserved so far as may be practicable. Speaking generally, arbitraries or differentials were advanced in the same ratio as other rates, and the former relationship, as existing before the year 1917, has never been restored in these cases. It was suggested by complainants that in some instances former differentials or arbitraries had been restored, but there is nothing on the record before the Board amplifying this statement or showing the character of the rate or rates where it is alleged former relationships have been reinstated. These relationships have not been reinstated in the case of rates on paper and paper commodities, and it is not only from the shipping points that are here in question, and specifically named, that the arbitrary or differential is in excess of that existing previous to 1917, but, on the other hand, the same situation prevails from the numerous other shipping points named in the tariffs. The granting of applicants' request would, therefore, be far-reaching in its effect, because such action could not be confined to the shipping points herein named, but would have to be extended without discrimination to the many other numerous shipping points set out in the tariffs. While the rate relationships have been changed, for the reasons named, not only in respect to the commodities here in question, but with regard to other traffic and in many parts of the country, there is not on the record here a case proving any unjust discrimination in the present rates as between the various paper shipping points.

I do not think the references to maintenance of differentials, as given in P.C. 1863 and the Board's judgment in connection with General Order 308, which were issued in 1918 and in 1920, respectively, and in respect to which there has been no complaint to the Board previous to filing of this submission in the General Rates Inquiry, can now be invoked at this late date with any great

probative force.

I consider that, if there should be any revision of the present commodity rates on paper commodities, it should be from the standpoint that the present rates are either unreasonable per se, or unjustly discriminatory as against certain shipping points and in favour of others. The matter is not now on the record before the Board in this shape. Obviously any readjustment of these rates should be on a record that would bring before the Board, as parties to it, all interested shippers.

Since the filing and hearing of this submission the Maritime Freight Rates

Act, 1927, has been put on the statutes, and section 8 of said Act reads:—

The purpose of this Act is to give statutory advantage in rates to persons and industries in the three Provinces of New Brunswick, Nova Scotia and Prince Edward Island, and in addition upon the lines in the Province of Quebec mentioned in section two (together

hereinafter called "select territory"), accordingly the Board shall not approve nor allow any tariffs which may destroy or prejudicially affect such advantages in favour of persons or industries located elsewhere than in such select territory.

There are points in the Maritime Provinces making shipments of paper commodities under the commodity tariff that is here under attack, but the record does not contain information showing just what specific paper commodities are manufactured at these Maritime Province mills or whether the same commodities are manufactured at mills of complainants, and it would, therefore, be necessary to be furnished with considerably more data than are on the record, before there could be determined the question as to whether, in view of the provisions of the Maritime Freight Rates Act, changes could be made in the rates from mills of complainants without affecting the advantages created by the statutory rates in favour of shippers at points in the Provinces of New Brunswick and Nova Scotia.

References were made to importations of paper commodities from certain United States points, and exhibits filed showing rates between certain United States points, and from United States points to Canadian points, but the record was not sufficiently developed under this heading to enable any conclusive opinion to be passed thereon in so far as it would have any bearing on a readjustment of the rates between Canadian points.

File 34123, 25

Atlantic Sugar Refineries, Ltd., Montreal, Que. British Columbia Sugar Refining Company, Vancouver, B.C. Dominion Sugar Company, Ltd.,

In connection with the Board's Circular dated July 9, 1925, re presentation of submissions dealing with the General Freight Rate Investigation, the Atlantic Sugar Refineries, Ltd., under date of August 12, 1925, made written submission re rates on sugar. As a result thereof, submissions were subsequently filed by the Dominion Sugar Company, Ltd., Chatham, Ont., and the British Columbia Sugar Refining Company, Ltd., Vancouver, B.C., which, in substance, stated that if there was to be a reduction in the rates on sugar from St. John, N.B., they would apply for similar reduction. The question of sugar rates was also spoken to during the course of the sittings in the General Freight Rate Investi-

Later, the Atlantic Sugar Refineries, Ltd., stated their submission was intended to support and agree in principle with the representations of the Maritime Provinces, and it was not their desire to proceed further in the matter The Maritime case was withdrawn from the General Rates Enquiry as referred to in more detail in the judgment of the Board. There has also since been placed on the statutes the Maritime Freight Rates Act, 1927.

Under the circumstances I consider that no changes in sugar rates should

be directed by the Board at this time.

File No. 34123.26

Submission of Canadian Retail Coal Association, Brantford, Ont., re rates on Coal and Coke from Niagara Frontier

The Canadian Retail Coal Association, Brantford, Ont., in written submission dated August 12, 1925, refer to rates on coal and coke from the Niagara frontier to points in Ontario, and draw attention to the difference between rates on anthracite and bituminous coal. They state the rates on anthracite coal vary from about 5 to 20 cents per ton more than on bituminous.

They further submit:-

We believe further that your Board should consider at this time a general reduction of the rates on both anthracite and bituminous, not only that they may be equalized, but that they may be reduced to a level which represents the earning power of the rate on most other commodities, for, as it has been shown in the past, we believe that it is still the case that the coal traffic bears more than its share of the revenue derived from the freight department of our railroad companies.

They also ask that an examination be made of the rates on coke which appear to them "to be excessive looking at it from the basis of the present rate on coal, because the difference in bulk does not warrant such a difference in the rate." This submission was not further developed orally before the Board at

the final hearing, of which applicant had notice.

What is intended or meant by applicant's suggestion that both anthracite and bituminous coal rates "be reduced to a level which represents the earning power of the rate on most other commodities" is not understood, unless it has the same meaning as the statement immediately following that "as it has been shown in the past, we believe that it is still the case that the coal traffic bears more than its share of the revenue derived from the freight department of our railroad companies." The Board is unaware of the foundation or basis of applicant's allegation that the rates on coal are disproportionate to the rates on other commodities, having in view the many factors which enter into consideration in the fixation of freight rates. This allegation would require to be fully developed in evidence before the Board before it could be seriously considered as a statement of fact, and no such evidence is before the Board.

With respect to the proportional rates on coal and coke from Niagara and other United States frontier points to stations in Eastern Canada, the existing differences as between anthracite and bituminous coal and coke have been created by differences in treatment under the various increases and decreases authorized or directed as result of railway operating costs in recent years.

Uniformity in rates as between anthracite and bituminous coal was maintained until August 1, 1922. Effective on that date, by judgment of the Board dated June 30, 1922, and its General Order No. 366, of same date (Vol. XII, Board's Judgments, Orders, Regulations and Rulings, p. 61), a reduction was directed in the rates on bituminous coal by rescinding the increase authorized thereon by General Order No. 308 of September 9, 1920, but no reduction was at that time directed in the rates on anthracite coal, and this accounts in full for the difference now existing, to which applicants have drawn attention.

Following the Board's Order of 1922, above referred to, the present applicants took up with the Board the question of rates on anthacite coal, and under date of November 16, 1922, were advised by the Secretary of the Board

as follows:-

I am directed by the Board to state that the list of basic commodities set out in its judgment of last June on which reductions applied, was accepted by the Board only after careful consideration; that the question of including anthracite coal in the reductions was very carefully considered when the Board was considering this Rate Judgment, but as it was decided to follow the list of commodities proposed to and published in the Report of the Special Committee, anthracte coal was, after full consideration, not included.

By reference to the Board's judgment, the reasons why, on the existing state of facts, the Board did not feel justified in giving a different and more extended list will be noted.

Again, in 1924 the applicants took up the matter of these anthracite coal rates, and on January 5, 1925, they were written to by the Secretary of the Board as follows:--

Referring to your letter of the 27th ultimo herein, I am directed by the Board to ask you if you would be good enough to advise it what difference in condition now exists as compared with the conditions of 1922 which, in your opinion, would justify the difference in treatment as between anthracite and bituminous coal from that which was provided for in the Board's General Order No. 366 of June 30, 1922.

What you are asking for is the re-opening of a matter already dealt with by the Board, and, therefore, it is incumbent upon you to set out in more detail the reasons for the reopen-

I also enclose you, under the Board's direction, a copy of Mr. G. C. Ransom's letter of the 2nd inst., for your consideration.

They replied under date of January 8, 1925, as follows:-

I have your letter of the 5th inst. relative to this matter, together with copy of Mr. G. C. Ransom's letter dealing with the same matter, and wish to state that we will advise you later as to what steps we intend to take in connection with our application.

The next submission from the applicants is that at present under consider-

ation, namely, under date of August 12, 1925.

With regard to the differences between rates on coal and coke, these commenced with Order in Council P.C. 1863 dated July 27, 1918, which directed increases in rates on coke which were, with respect to rates 50 cents per ton and over, somewhat higher than the increases directed on coal. When rates were increased in 1920 under the provisions of General Order 308 dated September 9, 1920, a specific increase on coal, lower than provided for commodities generally, was stipulated, but this exception was not made in the case of coke. disparities in rates were brought about under these circumstances.

The general level of rates in Eastern Canada has remained on the basis as effective August 1, 1922, following the Board's General Order 366 dated June 30, 1922. I do not consider these rates should be subjected to any direction by the Board at the present time.

File No. 34123.28.1

Eastern Canadian Preserved Foods Traffic Association—re rates on Canned Goods, in carloads, from Eastern Canadian points to stations in the Prairie Provinces.

The Eastern Canadian Preserved Foods Traffic Association filed written submissions dated August 12, 1925, and January 17, 1927. In that first mentioned they submitted:-

(1) The rates now charged for carload movement of canned food products from points in Eastern Canada to points in Western Canada are unreasonable and unduly discriminatory, to the extent that they exceed relatively the rates on carload shipments of the same commodities applicable from Vancouver and interior British Columbia points to markets in the Prairie Provinces.

(2) Also that the rates now charged on the same commodities in carloads from Fort William, Port Arthur, and Westfort, Ontario, to points west of Winnipeg, Man., to and including interior British Columbia points, are unreasonable to the extent that they exceed the ratio which rates to Winnipeg bear to the standard mileage scale. In other words, the system of making rates from Fort William westward beyond Winnipeg tends to increase the rate war to now mile with the increase the distance rather than degrees which is the the rate per ton per mile with the increase in distance, rather than decrease, which is the established principle in rate-making.

In respect to the first point, the question of rates applying on carload movements of canned goods from points in Eastern Canada to points in Western Canada, as compared with rates on the same traffic from British Columbia canning points to distributing centres in the Prairie Provinces, and the claim that there is unjust discrimination with respect to the rates from the Eastern Canadian shipping points, was before the Board in the application of Mr. J. C. Hodgson, Chairman, Transportation Committee, Jam Section, Canadian Manufacturers' Association, and after hearing and careful consideration of the record, the Board issued Order No. 36561 dated July 3, 1925, refusing the application. The matter is fully gone into in judgment of the Board dated June 11, 1925, Vol. XV, Board's printed Judgments, Orders. Regulations and Rulings, p. 162. The finding of the Board in that case was summarized as follows:—

(1) The arrangement whereby the two sets of minima apply from British Columbia points to Winnipeg is brought about by competitive conditions.

(2) These competitive conditions have a bearing upon the interior and intermediate

(3) While these competitive conditions do not apply westward from Aylmer, this point, and other Ontario points, has the advantage of water competition which is not open to the

movement from British Columbia points.

(4) The special competition complained of by the Eastern shippers is on the longer mileages. It is not shown that the difference in treatment, bearing in mind the circumstances which have brought about the existing conditions, amounts to unjust discrimination or undue preference in regard to the longer mileages from the East.

(5) The allegations that the existing rate structure has subjected Eastern shippers to a detriment by permitting the British Columbia shippers to cut into the business was not

established.

No new or material evidence is before the Board on this record which would warrant any modification in the decision of the Board in the case of the application referred to. In this connection attention may be directed to the fact that since the judgment of the Board alluded to was rendered, and since the submissions of the Eastern Canadian Preserved Foods Traffic Association were filed with the Board, the carriers published, effective April 22, 1927, a rail and water competitive rate on canned goods from stations in Eastern Canada to Fort William and Port Arthur, applicable on traffic destined beyond. of 41 cents per 100 pounds, the effect of which reduces the rail and water rates from Eastern Canadian canning points to stations in Western Canada 10 cents per 100 pounds below the rates existing in 1925, when the Board's decision was rendered.

In applicants' submission of January 17, 1927, they requested the establishment of reduced rates from Fort William westbound to the principal distributing centres in Manitoba, Saskatchewan, and Alberta. This might be considered as a technical distinction from their application for reduction in the rates from Eastern Canada, but for all practical purposes no such distinction can be drawn, as the readjustment of rates westbound from Fort William is tied up with the question of through rates from eastern Canadian points, and the traffic does not originate at Fort William.

The second point of the applicants' submission deals with the rates charged from Fort William to points west of Winnipeg, which they allege are unreasonable to the extent that they exceed the ratio which rates to Winnipeg bear to the standard mileage scale. This submission deals only with the rates so far as canned goods traffic is concerned, and the question they raise, with respect to its application to all rates westbound from Fort William to points west of Winnipeg, is disposed of in the judgment of the Board under the heading of "Terminal Rates".

File No. 34123.28.2

Submissions of Eastern Canadian Preserved Foods Traffic Association and Canadian Canners Limited, with regard to export rates on Canned Goods from Ontario points to Canadian Atlantic Ports.

The written submissions of the Eastern Canadian Preserved Foods Traffic Association and the Canadian Canners Limited (hereinafter referred to as the applicants) dated August 11, 1925, and December 29, 1926, respectively, deal with export rates on canned goods from Ontario points to Canadian Atlantic ports. Particular reference is made to the rates from Niagara Falls, N.Y., to New York, and from Niagara Falls, Ont., to Montreal, St. John and Halifax. The 5th class rates, applicable on canned goods, in carloads, for export, are as follows:

From	То	Miles	Rate in cts. per 100 lbs.
Niagara Falls, N.Y	New York. [Montreal St. John Halifax.	443 411 1,043 1,211	32 37½ 39½ 39½

The 32 cent rate from Niagara Falls, N.Y., to New York, applies from stations in the Buffalo group and a zone including points located 30 miles east of Buffalo; for example, it applies from Ray, N.Y., 366 miles from New York.

The present basis of export class rates from Ontario points was established by Orders of the Board Nos. 586 and 641, dated July 25 and September 4, 1905, respectively. Applicants state that conditions and rates have materially changed since. The rates have changed, in that all rates throughout Canada and the United States have been increased since 1905 as a result of the increased cost of railway operation. The reduced purchasing power of the dollar, as compared with 1905, is reflected in all business activities. Applicants did not in any way elaborate what change in conditions is alleged as apart from the change in rates.

Reference is made to an increase in the differential between Niagara Falls, N.Y., and New York, and Niagara Falls, Ont., and Montreal, as existing in 1905 as compared with the present; or in other words, what is meant is the difference then and now. Applicants state in 1905 there was a spread of 3 cents to Montreal; 5 cents to St. John, and 6 cents to Halifax. At present the spread is $5\frac{1}{2}$ cents to Montreal and $7\frac{1}{2}$ cents to St. John and Halifax. There is nothing particularly significant in this change to which applicants draw attention. The same condition is reflected throughout the whole freight rate structure of the country as a result of the increased rate level as compared with 1905. With respect to the canned goods rate in question, the rate frem Niagara Falls, N.Y., to New York in 1905 was 16 cents, to-day it is 32 cents. From Niagara Falls, Ont., to Montreal it was 19 cents in 1905 and is to-day $37\frac{1}{2}$ cents. To St. John and Halifax the rates were 21 and 22 cents, respectively, in 1905; to-day the rate is $39\frac{1}{2}$ cents to both points.

Applicants admit the difference in conditions existing in that portion of the Jnited States here referred to as compared with Canada. The Eastern Canadian Preserved Foods Traffic Association state:—

They (the carriers) state that we have ignored entirely the important factors which had o be taken into consideration in fixing rates as between Niagara Falls, N.Y., and American orts and Niagara Falls, Ontario, and Canadian ports. Taking Montreal as an example or the Canadian port; we know of no factor that enters into the making of these rates that iffers other than a density of traffic, which of course we appreciate is in favour of the merican roads.

The Canadian Canners state:—

ensity of traffic and that their rates cannot be taken always as a criterion for our freight ites.

he population of the state of New York is greatly in excess of the whole opulation of the Dominion of Canada, and the United States railways have readvantage of density of traffic, more favourable operating and climatic contitions, and cheaper fuel.

It was stated by applicants that many of the United States canneries are cated at points adjacent to the seaboard, whereas in Canada, owing to imatic conditions, canning is confined largely to inland territory. However, details were given, so that there is nothing on the record showing what

canning points in the United States are exporting canned goods or what rates they are paying; similarly, there is nothing showing what Canadian canning points are shipping canned goods for export. There are numerous canning points in Ontario located much closer to the Canadian seaboard than Niagara Falls, Ont. Whether canned goods are shipped from Niagara Falls, N.Y., for export, is not stated. The rates from Niagara Falls, Ont., were not attacked as to the unreasonableness of the rates in themselves, but on the allegation that competition makes it desirable that there should be something lower than the present rates. Applicants did not, however, make any specific application and there is nothing on the record showing what rates they consider necessary from a competitive standpoint. Quite aside from the Board's limitations with respect to establishing rates to overcome geographical disadvantages of location -which the applicants state they appreciate—the record would still be incomplete. How much export business is done by United States canneries adjacent to the Atlantic seaboard? What proportion of this might applicants reasonably expect to share? Are there other considerations apart from the question of rate that have a bearing on the situation? What reduction in rates would be necessary to give applicants an opportunity of competing? Any reduction made might be insufficient, therefore of no use and simply a paper rate. All these would be considerations particularly relevant, but no evidence is before the Board in respect to them.

During the season of lake and river navigation, Ontario shippers of canned goods forward a large share of their shipments from the canneries located at, and adjacent to, the water ports, via water lines to Montreal at lower rates than applicable by rail movement, reference being here made to domestic as well as export traffic.

While the submissions of applicants relate only to canned goods, inasmuch as the 5th class export rates apply thereon, under the basis of export class rates established from Ontario points by Orders of the Board in 1905, as already herein referred to, subject to subsequent increases authorized, the question would involve consideration of the whole Ontario export rate structure as it could not be dealt with as to canned goods alone. This is clearly indicated by the communication from The Canadian Industrial Traffic League, dated March 3, 1927, supporting the submissions of applicants. The traffic league suggest a complete revision of the Board's Orders of 1905. Those Orders dealt not only with export rates to Montreal, but also to New York and other United States Atlantic ports. The Orders prescribed revised station groupings and percentages, from Ontario points, with respect to rates based on percentages of the Chicago-New York rate. Niagara Falls, Ont., is in the 70 per cent group and the Traffic League suggests that the territory east of Port Dalhousie-Port Colborne be regrouped at 60 per cent, which is the same as the Niagara Falls-Buffalo group; with modification in other groups as well. The Niagara Falls-Buffalo group was 60 per cent at the time of issuance of the Board's Orders, and the entire situation was then carefully considered before the Ontario station groupings and percentages were prescribed. Between Buffalo er Niagara Falls, N.Y., and New York, the entire haul is over single line United States carriers, while from the Canadian territory there is involved a haul over Canadian carriers and across the international bridge before it reaches the rails of United States carriers, and what is a reasonable rate in the one case is not the criterion of a reasonable rate in the other.

I do not consider there exists any change in conditions—certainly it is not indicated on the record here—that would warrant any revision at this time of the Board's Orders of 1905 with respect to basis of export rates.

File No. 34123.29

Submissions of the Quebec Board of Trade

By written submission dated August 14, 1925, the Quebec Board of Trade endorsed the application of the Quebec Harbour Commission which is dealt with by the judgment of the Board.

Attention was also drawn in this written submission to the class rates from Quebec to Amos, Que., which, it was submitted, should be equalized with other class rates in effect from Quebec to points of similar mileage, and the comparisons given are shown below:—

FROM QUEBEC

			1				1			
То	Miles	1	2	3	4	5	6	7	10	Classes
		\$	\$	\$	\$	\$	\$	\$	\$	
New Castle, N.B. Cobourg, Ont. Amos, Que.	122	$0.97 \\ 0.97 \\ 1.30$			$\begin{array}{c} 0 \cdot 61\frac{1}{2} \\ 0 \cdot 61\frac{1}{2} \\ 0 \cdot 81\frac{1}{2} \end{array}$		$\begin{array}{c} 0 \cdot 45\frac{1}{2} \\ 0 \cdot 45\frac{1}{2} \\ 0 \cdot 61\frac{1}{2} \end{array}$			per 100 lbs.

The rates above quoted from Quebec to New Castle and Cobourg are on the basis of schedule "A", which was prescribed by Order of the Board No. 3258, dated July 6, 1907, for application from certain specified points from which there were published special local class tariffs known as town tariffs, subject, of course, to the subsequent general increases under various Orders of the Board. While Amos is specifically referred to, a similar rate situation exists with respect to stations on the same line east or west thereof, as well as in other territory. The territory in question is not within that prescribed by the Order in question as schedule "A" territory. It may be further stated in this connection that even within schedule "A" territory there are a great many rates that are not on the basis above referred to, for the reason that, as stated, said rates are published only from specified town tariff points. For example, from Wallenstein to Mattawa, Ont., 430 miles, and taking only for comparative purposes the first and fifth class rates, they are \$1.04 and $52\frac{1}{2}$ cents per 100 pounds, respectively, while from Goderich to Stralak, 431 miles, the first and fifth class rates are \$1.33 and $66\frac{1}{2}$ cents per 100 pounds, respectively. It will, therefore, be observed that the rate disparities pointed out by the Quebec Board of Trade also exist in other portions of Eastern Canada, and even from certain points of origin in schedule "A" territory.

From the standpoint of shipping goods from Quebec to Amos in competition with such distributing centres as Montreal or Toronto, the rate advantage is with Quebec, the comparison being as follows:—

TO AMOS

		1	2	3	4	5	6	7	10	Classes
rom rom	Toronto	\$ 1.69 1.39 1.30	$1 \cdot 47\frac{1}{2}$ $1 \cdot 22$ $1 \cdot 13$	$\begin{array}{c} \$ \\ 1 \cdot 27\frac{1}{2} \\ 1 \cdot 04\frac{1}{2} \\ 0 \cdot 97 \end{array}$	\$ 1.06\frac{1}{2} 0.87\frac{1}{2} 0.81\frac{1}{2}	\$ 0.84½ 0.68 0.65	\$ $0.81\frac{1}{2}$ $0.66\frac{1}{2}$ $0.61\frac{1}{2}$	\$ 0.61½ 0.49 0.45½	\$ 0·59½ 0·47 0·43	Per 100 lbs.
		1.90	1.49	0.97	0.815	0.05	U·61½	0•45½	0.43	44

What is here involved, is, in principle, not dissimilar from what is raised n the submissions of the Town of Simcoe and the Canadian Canners Limited, e so-called town tariff class rates, files numbers 34123.3 and 34123.16, which are separately reported on herein. For the reasons set out in the report in

the cases last named, and in the absence of the matter having been developed in more detail. I do not consider any direction should issue in the matter at this time. It is a question that would open up a wide field and would require a most exhaustive and lengthy study of the rates and traffic movement and much data that are not available to the Board on this record.

File 34123.30

Moose Jaw Board of Trade

The written submission of the Moose Jaw Board of Trade, dated August 13, 1925, may be summarized as follows:—

1. Opposition to any discrimination as between jobbing centres in West-

ern Canada.

2. That the provisions of Classification No. 17 should be adhered to by all parties both in spirit and letter, it being stated it was the intention of carriers to issue commodity tariffs overriding certain provisions of the Classification, which will be favourable to the City of Winnipeg, but will offset the georgraphical advantages that the jobbing centres in Saskatchewan bear to the consumer.

3. That merchandise classifying 5th class and higher, in carloads, should

move under class rates and not under commodity rates.

4. Special consideration of the live stock industry in Western Canada and freight rates thereon.

Dealing with the above points seriatim.

1. This has reference to the matter of terminal rates from Fort William,

which is dealt with in the judgment of the Board.

2. Applicants did not develop this point of their submission. There is no evidence, or even allegation, that the provisions of Classification 17 are not adhered to. With regard to commodity tariffs overriding certain provisions of the Classification, it may be stated that it is a very general practice throughout the country to publish commodity rates which are on a lower basis than would be provided under the classification rating and the class rate tariff and, certainly, these are in the public interest. The provisions of the Railway Act as to unjust discrimination apply with equal force to commodity rates as to class rates. No evidence was submitted as to commodity rates which, it is alleged, favour Winnipeg, and are unjustly discriminatory against shipping centres in Saskatchewan, and it may be that this also has reference to the matter of Fort William terminal rates. The matter not having been developed, it cannot be further dealt with.

3. Nothing was submitted by applicants under this heading as to why commodity rates should not be permitted on traffic classifying 5th class, and in the absence of this point being developed by the applicants, the matter

cannot be further dealt with.

4. The question of live stock rates is separately dealt with in connection with file 34123.1.

File No 34123.32

Salim ssions of Estevan Board of Trade; Brandon Board of Trade and Civics, and Counsel for Province of Saskatchewan, re rates on Lignite Coal from the Souris Valley Field in Southern Saskatchewan.

This matter was heard at sittings of the Board in Regina June 22, 1926, Vol. 464, pages 7600 to 7655, and argument of counsel for province of Saskatchewan is in Vol. 506, pages 6199 to 6208.

As I read the evidence and the argument it is not urged that there should be any change in the present rates on lignite coal from the Souris Valley district unless there is to be a modification in the rates from Alberta points to prairie destinations east of Moose Jaw and Regina.

At page 7641, Vol. 464, the witness being Mr. Hawkinson, Secretary of the Saskatchewan Coal Operators' Association, the following discussion took

Mr. McEwen: Your main contention I understand is this, that whatever adjustment is made in rates on coal the same differential in regard to rates on your coal should be maintained?-A. That is right.

Mr. Woods: You are not asking for a greater differential as compared with Alberta lignite than now exists?

Mr. McEwen: No, that is correct.

At page 7646, reference here being made to rates from Alberta mines as compared with those from the Souris Valley district, the following is found:-

Mr. FLINTOFT: You do not complain of the present rate relationship Mr. Hawkinson?—

A. Not very strenuously. We could stand a lower rate.

In argument, at page 6206, Mr. McEwen stated:-

I did not particularly urge for lower rates in connection with the movement of this coal, at Regina, and I am not going to urge it now unless there is going to be some reduction of rates in basic commodities. If during the course of this investigation the Board comes to the conclusion that basic commodities should be granted some reduction in rates, then I wish this coal matter taken into the consideration of the Board, and facts in connection with it which were brought out at Regina borne in mind, that is, the relative value of this coal with other coals, and the fact that there must be some differential in the rates on this particular coal and in the rates on which coal of a higher grade moves.

And the following discussion is also found at pages 6206-7:-

The DEPUTY CHIEF: When you speak of rates on other basic commodities being reduced what do you mean by that, what other commodities have you in mind?

Mr. McEwen: The province of Alberta has made an application with regard to reduced rates on coal, and the rate which they want is one which will move their steam coal particularly to the city of Winnipeg. That is the great market for Bienfait lignite coal.

The DEPUTY CHIEF: Is what you have in mind to say that if the rate from Drumheller to other points were reduced you would like a similar reduction.

Mr. McEwen: We would like the same spread maintained between our rates and their rates.

The Board has before it, separate from the General Rate Investigation. the question of coal movement from Alberta to Ontario. I assume that any action taken in that regard would have a bearing on the rates on coal from Alberta mines to prairie destinations also, and consider that the whole question of rates on coal should, if necessary, be dealt with at a later date and independently of the General Freight Rate Investigation.

File 34123.33

Lethbridge Breweries, Ltd., Lethbridge, Alta.

What was involved in this submission was disposed of by Order No. 36911. dated October 12, 1925.

File 34123 34

Chamber of Commerce of Joliette, Que.

This is a request that Joliette be grouped with Montreal for rate-making purposes with respect to traffic between Joliette and stations west of Montreal n Ontario, also Western Canada. The matter was spoken to at sittings of the Board in Montreal on January 8, 1926, Vol. 449, pages 304-341.

Joliette is situated on both the Canadian Pacific and the Canadian National Railways, northeast of Montreal. From Montreal to Joliette via Canadian

62863-25

National Railways, the distance is 37 miles, and via the Canadian Pacific Railway 55 miles. It was stated by Mr. Guilbault, K.C., representing the town of Joliette, that the distance via the Canadian National Railways from Ottawa to Montreal, as compared with Ottawa to Joliette, is about 13 miles farther to the point last named, and, in view of this small difference in mileage, it was submitted that Joliette might properly be grouped with Montreal for rate making purposes. As a matter of fact, the difference in mileage is 20.4 miles. Representatives of the railway companies stated that with respect to traffic between Joliette and points in Ontario, this would not be routed via Ottawa, so that, based on the mileage via which traffic is handled, there is a considerably greater difference in mileage than represented merely by taking the difference from Ottawa as between Montreal and Joliette. Further, when computing mileage via Ottawa to points in western Ontario the distance from Joliette is actually greater than through Montreal. Via the Canadian Pacific Railway, the distance from Joliette to Toronto via Montreal is 399 miles, and via Ottawa. 406 miles. Via the Canadian National Railways, the distance Joliette to Toronto via Montreal is 371 miles and via Ottawa 374 miles. The distance Toronto to Montreal is 334 miles via the Canadian National Railways and 344 miles via Canadian Pacific Railway.

With regard, however, to the class rate traffic, the rates between points west of Montreal and stations east and south of Montreal are not predicated on a strict mileage basis. The territory is grouped, and under any group rate system, mileage is not the sole controlling factor, as numerous stations with

varying mileages are included in the same group.

To and from points in Ontario and stations in Quebec, west and east of Hull, and east and south of Montreal, on the lines of the Canadian National and Canadian Pacific companies, the grouping of territory was defined and prescribed by the Board by its Order No. 3258, dated July 6, 1907, in the so-called International Rates Case. The grouping and scaling there fixed was as follows:—

To---

Aylmer
Gatineau to Buckingham, inclusive
East of Buckingham Junction to and including St.
Augustine; north and south of St. Therese Junction
to and including St. Jerome and St. Eustache
St. Therese Junction to Ste. Rose, inclusive
St. Vincent de Paul to Joliette, inclusive.
Lanoraie to Three Rivers, inclusive, including Berthier
East of Three Rivers to Quebec, inclusive.
East and South of Montreal to and including St. Rosalie,
St. Johns, St. Isidore, Howick Junction and Cecile
Junction
Doucets Landing, Victoriaville, Dixville and east of St.
Rosalie, also south of points named in preceding
group (C.P.R. Group to correspond)
East of Victoriaville to Point Levis

4 cents 1st class over Hull 6 cents 1st class over Hull

8 cents 1st class over Montreal 4 cents 1st class over Montreal 4 cents 1st class over Montreal 8 cents 1st class over Montreal 10 cents 1st class over Montreal

4 cents 1st class over Montreal

8 cents 1st class over Montreal 10 cents 1st class over Montreal

As a result of the percentage increases in rates since 1907 the first class rate bases over Hull or Montreal are now higher than above set out.

With reference to rates between Eastern Canada and points west of Fort William, the present station grouping in Eastern Canada was last under review by the Board in 1922, and some modification was prescribed, see re Freight Tolls. 1922, Vol. XII, Board's Judgments. Orders, Regulations and Rulings, pages 69 and 70. With respect to rates to and from Western Canada, Joliette, 37 miles from Montreal via the Canadian National Railways, is in the same group with other stations on the Canadian National Railways at distances from Montreal varying from seven to seventy-two miles. On the Canadian Pacific Railway, Joliette is in the same group with other stations situated at distances from Montreal varying from 22 to 101 miles.

Most adjustments of rates on a group basis result in some inequalities when distance alone is considered, but such inequalities are not of necessity unreasonable or unjust. Under any group adjustment, lines must be drawn somewhere, and the difference in distance between the most distant point in one group and the least distant point in the next more distant group, must be comparatively small; further, it necessarily follows that even within the same group, rates to the nearer points on the edge of the group are lower, distance considered, than to or from other points in the same group. Under these circumstances, in considering adjustment of group rates, difference in distance between selected points cannot be regarded as controlling, and the reasonableness of such rates must be judged by average conditions, because a comparison made between specific points in one group, and nearby points in another group, does not reflect the relation as a whole.

Inasmuch as there are no stations east or south of Montreal that are included in the Montreal group, it is obvious that the addition of Joliette to the Montreal group would involve an entire regrouping of said territory. It would also involve an appreciable reduction in the revenue of the carriers as, if Joliette were added to the Montreal group, there are numerous other stations that would have to be similarly included. Then, again, stations just east or south of the newly constructed Montreal group would, of course, demand a revision of their rates. Groups long maintained are presumably fair, and should not be disturbed unless substantial justice requires it. The present group arrangement has not been the subject of complaint from other points or territory in the province of Quebec, and I do not consider on the record here that a lirection should be made for any change of such far-reaching character as would be involved by giving effect to the application.

File 34123.37

Application of Central Creameries, Limited, Calgary, Alberta, for reduction in rate on butter, carloads, from Calgary to Vancouver

This is an application for a reduction in the current rate on butter, in caroads, from Calgary, Alberta, to Vancouver, B.C. The application was first overed by written submission dated August 14, 1925; it was spoken to at ittings of the Board at Calgary on the 2nd of July, 1926 (Vol. 467, pages 8380-397); and at the final hearing on March 29, 1927, argument on this application was submitted by counsel for the province of Alberta (Vol. 505, pages 5716-719).

In the written submission, and at the Calgary sittings, applicant alleged at the present rate is excessive and stated this was evidenced by the rate ublished by the Canadian Pacific Railway on eggs, in carloads, from Vancouver Edmonton. In other words, the rate on eggs, last mentioned, was stated by pplicant to be the basis of his allegation that the present rate on butter from lalgary to Vancouver is excessive.

In the Canadian Freight Classification, eggs are classified fourth class, carbad minimum, weight 24,000 pounds; butter is classified third class, carbad inimum weight 20,000 pounds. The fourth class rate from Vancouver to algary is \$1.10 per 100 pounds, and to Edmonton it is \$1.25 per 100 pounds, he third class rate from Calgary to Vancouver is \$1.45 per 100 pounds, but a mmodity rate of \$1.37 per 100 pounds is in force on butter, in carboads, from algary to Vancouver. The Canadian National Railway publish a number of mpetitive commodity rates from Vancouver to Edmonton and Calgary on the usis of the lower Vancouver-Calgary class rates on the same articles. Effecte November 26, 1924, the Canadian National Railway published a comtitive commodity rate of \$1.10 per 100 pounds on eggs, in carboads, from ancouver to Edmonton. The Canadian Pacific Railway met this competition

by publishing the same rate. The situation is that, with respect to commodities moving in volume, there is a parity of rates maintained between Calgary and Edmonton and Vancouver. The distance from Edmonton to Vancouver via Canadian National Railways is 766 miles, and via Canadian Pacific Railway, 836 miles. From Calgary to Vancouver via Canadian Pacific Railway is 642 miles and via Canadian National Railways is 996 miles. The provisions of section 329 of the Railway Act enable the Canadian Pacific Railway to publish a competitive rate from Edmonton to Vancouver to meet that of the Canadian National Railways, without applying it to or from intermediate points; similarly, it permits the Canadian National Railways to publish via its longer mileage from Calgary to Vancouver, competitive rates on the same basis as established by the Canadian Pacific Railway between the same points.

The Railway Act specifically authorizes the establishment of competitive gates which shall not be subject to the long and short haul clause under the provisions of the Act and the Board has always held, and it is set out in pumerous Judgments that have been issued from time to time, that such competitive rates, made under conditions which vary in almost every instance and are frequently very much below the normal basis, cannot properly be taken as a yardstick by which to measure the reasonableness of rates per se. If they could, then all the numerous higher normal rates in effect on commodities similarly classified could be imediately condemned and the result would make for a rigidity in the freight rate structure of the country that would be extremely

detrimental to the shipping public

While it was stated at the Calgary sittings (page 8383) that the application concerned solely the rate on butter between Calgary and Vancouver, and did not include points outside of Calgary, in the course of the argument it was suggested that the matter be considered from the standpoint of reducing the classification rating on butter, in carloads, from third to fourth class, or the same rating as applicable on eggs. This, of course, would make the reduction applicable throughout Canada, east and west. While some comparison was made between eggs and butter, with respect to value, the matter was not fully developed and the record furnishes nothing conclusive on this point. They are not commodities which compete with each other. Applicants expressed their willingness to have the carload minimum weight on butter in the Freight Classification increased to 24,000 pounds. With regard to this proposition of applicants however, it may be stated that when Canadian Freight Classification No. 1. was before the Board for approval, a carload minimum weight of 24,000 pound was proposed on butter by the carriers, but this met with much opposition both in Western and Eastern Canada and the 20,000 pounds minimum was continued so that obviously applicants are not in agreement with many other shippers o butter with respect to the matter of carload minimum weight. tion rating on butter was fully considered at that time and the present ratin was held by the Board to be justified (see Judgment re proposed Canadia Freight Classification No. 17, Volume XV, Board's Judgments, Orders, Regula tions and Rulings, at page 199).

On the record here, the Board would not be warranted in directing an change in either the classification rating, or the present commodity rate on butte from Calgary to Vancouver, it not having been shown that the latter

unreasonable per se.

File 34123.37.1

Submission of National Dairy Council of Canada for reduction in freight rate on Butter and Cheese.

The National Dairy Council of Canada filed with the Board a printe submission dated August 15, 1925, making application for a reduction in freigl

rates on butter and cheese. This application, so far as it relates to the rates on butter from points in the provinces of Manitoba, Saskatchewan and Alberta, was spoken to at sittings of the Board held in Winnipeg on June 14 and 15, 1926. The application was endorsed by counsel for the provinces of Manitoba, Saskatchewan and Alberta, also by the Canadian Council of Agriculture. Application for reduced rates on butter was included in the separate submissions filed by counsel for the three provinces named, which will be herein considered and dealt with along with the submission of the National Dairy Council. The submission of counsel for the province of Manitoba dated August 21, 1925, set out:-

That mixed farming has become a very important industry in Manitoba; that with the increased volume of business, lower rates outward should prevail on cattle, sheep, hogs and dairy produce of all kinds.

The supplementary submission of counsel for the Province of Saskatchewan dated May 3, 1926, read as follows with regard to butter:-

That prevailing rates on butter, eggs, poultry and poultry products moving from points in the Province of Saskatchewan for consumption in Canada and to Montreal and Vancouver for export are excessive having in mind the increased production and the volume of these commodities, the ever increasing exportable surplus, the lower prices obtaining in domestic and export markets, the substantial increases in rates allowed during a period of falling prices, the competition of other countries in our own and export markets and the desirability as stated in Order in Council P.C. 886 of assisting the basic industry of agriculture.

The Government of the province of Saskatchewan asks:-

(a) Lower commodity rates on butter, eggs, poultry and poultry products moving to Toronto, Montreal, and all points east for domestic consumption.

(b) Special export rates lower than existing rates on butter, poultry and poultry pro-

ducts to Montreal and other eastern points for export.

(c) A special commodity rate on butter from Saskatchewan stations to Pacific coast points for export to Japan and other Far Eastern points, and to Great Britain through the Panama canal.

(d) That local rates on butter, eggs, poultry, and fresh meats east and west be equalized, the prevailing rates being from 6 per cent to 57 per cent higher in prairie than in east-

ern territory.

The printed submission of counsel for the province of Alberta asks:-

5. That in order to ensure the freest possible interchange of commodities between the provinces of Canada and the expansion of its trade, having due regard to the needs of the basic industry of agriculture, there should be made effective a special commodity rate on butter from Alberta shipping points to cover minimum car shipments of fifty thousand pounds and twenty-four thousand pounds to Montreal and other eastern Canadian points, and also to Pacific coast points, on such a basis as will enable the Alberta producer to compete favourable in these markets.

6. That in order to encourage the movement of traffic through Canadian seaports there should be made effective a lower rate on butter via Montreal and other Atlantic ports than at present exists and that a favourable export rate on butter via Pacific coast points should be established and made effective. Exhibit 12 shows what the export rate on butter would be to Vancouver based on the rate in effect on the same commodity from Toronto to

Montreal for export.

Additional evidence on behalf of the province of Alberta was submitted at Calgary on July 2, 1926 (Vol. 467). The evidence of witness for the railway companies was given at Ottawa, March 10, 1927 (Vol. 502, p. 4680-4701). The argument of counsel for the province of Alberta is in Vol. 505, p. 5688-5697; that of counsel for the province of Saskatchewan in Vol. 506, p. 6191-5199; and that of counsel for the province of Manitoba in Vol. 507, p. 6491-2. In his argument at page 5688 (Vol. 505), counsel for the province of Alberta lefined and confined the scope of his submission, as already above quoted, as

Now, the next one that I am taking up is the rate on butter to Vancouver, and that will be found at Nos. 5 and 6 of the particular items of Alberta's Case, but I want to point

out to the Board that I am confining, so far as this argument goes, my application to the rate to Vancouver on butter, although the language of sections 5 and 6 is somewhat broader than that.

Reference is made to the desirability of assisting the basic industry of agriculture and encouraging the movement of traffic through Canadian ports. A good deal of evidence was given, and a considerable number of exhibits were filed, showing the position and development of the dairy industry in the three Prairie Provinces. Exhibits 8, 9, and 10, filed by the National Dairy Council, contain statistics showing the production of creamery butter, but do not show the value. The figures given below, showing the production and value of creamery butter for the three Prairie Provinces, are taken from the records of the Dominion Bureau of Statistics. With regard to the quantity of production in pounds, there are only a few very minor differences for some of the years between the figures in these exhibits and the records of the Bureau of Statistics:—

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IV.	1 3		1 ' I '	OB	A

	Creamery Butter						
Year	Lb.	\$	Cents per lb.				
1900	1,557,010 1,561,398 2,050,487 5,839,667 6,574,510 7,050,921 8,436,962 2,268,342 7,578,549 8,541,095 10,559,601 10,730,060 12,632,814 13,663,312	292,247 388,427 511,972 1,693,503 2,038,109 2,595,472 3,897,476 4,350,693 4,282,731 3,253,057 3,603,491 3,662,444 4,160,707 4,909,958	18·76 24·87 - 24·96 28·99 31·00 36·80 46·19 52·61 56·51 38·08 34·12 34·13 32·93 35·93				
SASKATCHEWAN							
1900. 1907. 1910. 1915. 1916. 1917. 1918. 1919. 1920. 1921. 1922. 1923. 1924.	1,348,599 3,811,014 4,310,699 4,220,758 5,009,016 6,622,572 6,638,656 7,030,053 8,901,144 10,867,010 13,543,001	29,362 36,599 381,809 1,055,000 1,338,180 1,575,965 2,221,403 3,495,172 3,727,140 2,552,698 3,066,573 3,632,377 4,378,106 5,855,979	$\begin{array}{c} 20 \cdot 44 \\ 27 \cdot 55 \\ 24 \cdot 65 \\ 27 \cdot 68 \\ 31 \cdot 04 \\ 37 \cdot 33 \\ 44 \cdot 34 \\ 52 \cdot 77 \\ 56 \cdot 14 \\ 36 \cdot 31 \\ 34 \cdot 45 \\ 34 \cdot 42 \\ 32 \cdot 32 \\ 36 \cdot 72 \\ \end{array}$				
T T T T T T T T T T T T T T T T T T T							
ALBERTA 1900. 1907. 1910. 1915. 1916. 1917. 1918. 1919. 1920. 1921. 1922. 1923. 1924. 1925.	1,507,697 2,149,121 7,544,148 8,521,784 8,943,971 11,822,890 11,821,291 13,048,493 15,417,070 17,668,853 22,339,857	123,305 362,782 533,422 2,021,448 2,619,248 3,414,541 4,025,851 6,132,733 6,555,509 4,543,007 5,126,844 5,891,186 7,059,030 6,959,059	20·49 24·06 24·82 26·79 30·72 38·17 44·46 51·87 55·45 34·81 33·25 32·96 31·15				

Figures for 1926 are not available.

With regard to the province of Manitoba, Mr. L. A. Gibson, Dairy Commissioner, stated (Vol. 463, p. 6966) that, "This year the way it is going at the present time we will show a larger increase than in 1925, probably a million pounds more, probably fourteen and three-quarters or fifteen million pounds for 1926." Mr. Reid, Dairy Commissioner for the province of Saskatchewan, stated (Vol. 463, p. 6978):—

During the first five months of 1926 there were 5,109,809 pounds of butter manufactured. This is an increase of 31.3 per cent over the same period for 1925, and there is every indication of a large increase for the whole year, and we expect the total make for 1926 to be approximately 17,000,000.

Counsel for the National Dairy Council read into the record letter from the Dairy Commissioner of the province of Alberta, in which the following statement appears (Vol. 463, p. 6999):—

You will note that there was a temporary reduction in last year's output, but if the records that we have for the cream supplied to creameries during the month of May may be taken as an indication, we should this year have an increase of somewhere between twenty and thirty per cent in the creamery butter output for 1926 over that of the previous year.

Exhibit 4 shows exports of Canadian butter to Great Britain and value for the past six years as follows:—

Year ending Dec. 31—	lb.	\$
1920. 1921. 1922. 1923. 1924.	4,705,564 17,527,607 4,365,597	1,568,318 1,918,012 6,429,378 1,519,849
Fiscal year ending March 31, 1926.		5,405,608 6,747,115

There is also shown exportation of Canadian butter from the port of Vancouver as follows:—

Year ending March 31—	lb.	S
1922	348,678	129,837
1923. 1924.	483,264 1,494,019	190, 681 526, 737
1925	1,847,854	646, 291
1926	1,268,899	479.047

The exhibit further states:-

In dealing with the exportation of Canadian butter via Vancouver the development of a market in Japan is worthy of note. This is shown by the following figures from the Dominion Bureau of Statistics:—

EXPORTATION TO JAPAN		
Year ending Dec. 31—	lb.	\$
1920	448	270
1921	5,351	2,445
1922	219,270	90,986
1923. 1924.	382,007 566,708	149,306
Fiscal year ending March 31, 1926.	306,308	207,901 126,529

The following is taken from exhibit 8 prepared by Dairy Commissioner Gibson of the Department of Agriculture, province of Manitoba.

The amount of creamery butter shipped out of the province to points in Eastern Canda, the Old Country and a few shipments to Calgary and Vancouver—400 fifty-six pound poxes to each car—is as follows:—

Year	Carloads	Year	Conloada
1915	50	1921	100
1916	68	1922	115
1917	96	1923	. 180
1918	175	1924	. 198
1919	153	1925	315
1920	134		

With regard to the province of Saskatchewan, the following is contained in exhibit 9:-

A review of the above figures showing a substantial and regular increase from year to year in creamery output each year from 1920 to date must be accepted as conclusive evidence of the stability of the dairy industry in the province.

During the first five months of 1926 there were 5.109,809 pounds of butter manufactured. This is an increase of 31.3 per cent over the same period for 1925 and there is every indica-

tion of a large increase for the whole year.

A further evidence that dairying is not only here to stay but will assuredly continue to gain in favour and volume of production may be found in the increased number of farmers patronizing creameries of the province from year to year. The following are the number of creamery patrons for the past six years:-

cly patients for the			26 000
1920	000 000	1923	30,000
1920	20,000		20 000
102011111111111	99 000		00,000
1921	22,000	1925	45 000
	00 000	1025	40,000
1000	20.000	1020	

The reports for the current year to date also show the industry in a strong position. Below is shown the amount of creamery butter shipped out from Saskatchewan 1916 to 1925 with the percentage increase and per cent of total make exported:-

PERCENTAGE OF TOTAL PRODUCTION EXPORTED

Year	Exported from Saskatchewan	Percentage of total make exported
1916	1,000,000 1,500,000 2,425,000 2,600,000 3,318,500 3,830,000 7,000,000 7,000,000 9,500,000	$\begin{array}{c} 23 \cdot 0 \\ 35 \cdot 6 \\ 48 \cdot 4 \\ 39 \cdot 2 \\ 49 \cdot 9 \\ 54 \cdot 4 \\ 56 \cdot 1 \\ 64 \cdot 4 \\ 69 \cdot 9 \\ 77 \cdot 4 \end{array}$

Similar details are not on record for the province of Alberta, but it is stated (exhibit 10) that some 3,000,000 pounds were exported in 1925. Exhibit 11 covers a statement of imports of butter as follows:-

STATEMENT OF IMPORTS OF BUTTER FROM THE UNITED STATES, AUSTRALIA AND NEW ZEALAND, ENTERED FOR CONSUMPTION IN CANADA DURING THE FISCAL YEARS ENDING MARCH, 1924, 1925 AND 1926

	United States				New Ze	ealand
Fiscal Year	Pound	Value	Pound	Value	Pound	Value
1924	165,801 23,853 73,930	\$57,564 10,567 29,118		\$910,814	1,296,707 162,848 2,342,966	\$512,888 59,579 928,395

STATEMENT OF IMPORTS OF BUTTER FROM AUSTRALIA AND NEW ZEALAND ENTERED FOR CONSUMPTION IN CANADA FROM OCTOBER 1, 1925,

Country	10 AFRIL 50, 1920	Lb.	Value
Australia		2,863,998 2,876,142	\$1,047,145 1,151,549

Reference was made to the curtailment of the exportation of butter to the United States on account of the Fordney Tariff, but detailed figures were not given. According to the Canada Year Book 1925, page 476, exports of butter from Canada to the United States, years 1922 to 1925, were as follows:-

Year	Lbs.
1922	 3,032,939 2,423,086
1924	 6,394,927 3,437,690
1925	 3,437.090

Reference was also made to the probable increase in importations from Australia and New Zealand as a result of the trade agreement brought into operation October 1, 1925, which reduces the duty from Australia from 4 cents to 1 cent per pound, and from New Zealand from 3 cents to 1 cent per pound. It was admitted, with regard to the importations from Australia and New Zealand, that this butter had entered Canada at the period of year when Canadian production was practically at a standstill and the prices usually high, and that a very negligible quantity was marketed in the Prairie Provinces. In his argument at page 6196, Vol. 506, counsel for the province of Saskatchewan stated: "There is no dangerous situation at present, I think, with regard to imports of Australian and New Zealand butter." Later returns covering importations of butter into Canada, as taken from monthly report of trade of Canada, are as follows:—

	From New Zealand lbs.	From Australia lbs.
January, 1927. February, 1927. March, 1927.	1 562 194	56,000 234,808
Twelve months ending March, 1927	4,003,160 4,904,536	290,808 801,324

The volume of importation represents a small figure when compared with the total production of butter in Canada, which is given as 269,494,967 pounds for 1925.

Some data were submitted relating to cost of transportation of butter to Great Britain from other competitive butter producing countries, namely, Australia, New Zealand, Denmark, Argentine, Russia, Sweden and Netherlands, but there was some question as to the accuracy of some of the figures and they were not conclusive. In any event it transcends the functions and power of the Board to endeavour to adjust that portion of the through transportation represented by the rail freight rates in Canada, and change them from time to time, so that the Canadian producers' cost of transportation to Great Britain would not exceed that from competing countries; and, furthermore, the proposition would be impracticable, owing to the rates by water transportation from such countries being subject to constant fluctuation, as well as the wide variance as between different competing countries.

Dealing further with the position of the industry, Mr. Reid, Dairy Commissioner for Saskatchewan, and who is also Secretatry of the Saskatchewan Dairy Association, stated (Vol. 463, p. 6978) that the figures showing a substantial and regular increase from year to year in creamery output must be accepted as conclusive evidence of the stability of the dairy industry in the province. Again, p. 6992, Mr. Reid replied to inquiry of Deputy Chief Com-

missioner as follows:-

The Deputy Chief: Q. Would you say that the Dairy industry is a profitable industry is a whole, but that there might be instances of people who on account of conditions under which they operate or on account of their attitude towards it, lose money; but on the whole he Dairying Industry is a paying proposition, is it not?—A. I would say undoubtedly it is a paying proposition.

While the price of butter has declined considerably from its peak price, t is stated the cost of production has also been reduced. Mr. McKay, Manager of the Manitoba Co-operative Dairies, at page 7026, Vol. 463, stated: "He the farmer) is receiving more to-day in proportion than he was at the high period, because at the high period operating costs were also high." He also tated at page 7025 that the cost of manufacture has decreased in the last four or five years.

With regard to that portion of the submission relating to "the encouragement of the movement of traffic through Canadian ports," it may be pointed out that in so far as this involves the question of adjusting rates so as to divert the export movement of butter through Canadian ports instead of through United States ports, there is no allegation or evidence that any of this export butter traffic moves through other than Canadian ports.

Taking typical shipping points, the situation with regard to the butter

rates here in question may be summarized as follows:

	To Vancouver (Rates in cents per 100 lbs.)				
From	1915	Peak, 1920	Presen	t rate Com.	
Calgary Edmonton Moose Jaw Winnipeg.	91 91 142 147	$ \begin{array}{r} 154 \\ 154 \\ 231\frac{1}{2} \\ 248\frac{1}{2} \end{array} $	145 166 201 251	137 137 192½ 221	

	To Montreal (Rates in cents per 100 lbs.)			
From	1	Peak.	Presen	t rate
	1915	Peak, 1920	Local	Export
Calgary. Edmonton. Moose Jaw Winnipeg.	194 194 154 108	345 345 277½ 200	$ 307\frac{1}{2} \\ 307\frac{1}{2} \\ 247\frac{1}{2} \\ 178\frac{1}{2} $	246 246 210 161

Generally speaking, in comparison with other traffic moving under class or commodity rates, butter has not been subjected to any greater increase and has received equal decreases since the peak in 1920. The very gratifying and marked development of the dairy industry in the three Prairie Provinces was pretty fully set out on the record by counsel for the applicants and above summarized. There was some discussion as to whether the development of the industry had been hampered by the freight rates on butter. On this point the following excerpt from the record is quoted (Vol. 463, p. 7037 et seq.):—

The Deputy Chief: Mr. Scott, I wonder if you would follow me along this line, and if you do not I would like to invite your views on the subject. When the Order in Council ordered us to do our best to encourage the interchange of commodities, and the development of the agricultural industry, we received submissions from the various sections of the country, and particularly from the agricultural industry, contending that the rates an injurious to their welfare. In this instance we have received a submission, the first part of which exemplifies the wonderful developments that have taken place in the dairy industry in the west in recent years, and I invite your view on this point—the rate which is being charged by the transportation companies is in no way detrimental to the development of the industry, not only from the point of view of competition, but from the point of view of hindrance to further development of the industry as well. Therefore, so far as I can follow the argument, it would seem to me that the whole thing boils down to a question of the reasonableness of the rates in themselves as compared with the services rendered by the transportation companies, and in that respect I do not believe that the Order in Counce helps us very much unless you can show that the rates in themselves at the present time hinder the development of the industry, or hamper it in its competition.

Mr. Scott: I cannot say that the rates that now exist are so high that they are preventing development, because that is not the fact. The dairying industry is growing ver fast. Our reason for emphasizing that growth and that development is, because it is

recognized principle in rate making, that the greater the volume the lower the rate. If the rates were fair when we had a much less volume, now that the volume has increased as much as it has, we are entitled to lower rates.

The Deputy Chief: I follow you there. I think this exemplifies it so much more, that the problem boils itself down to a question of comparing rates enjoyed by the transportation companies on butter and other dairying products, as compared with rates charged on other commodities. Is that not the case?

Mr. Scott: Yes.

The Deputy Chief: And that is fairly a question of the reasonableness of the rates, in itself?

Mr. Scott: Yes.

At page 7027, Vol. 463, Mr. McKay, Manager of the Manitoba Co-operative Dairies, being the witness, was asked by the counsel for the province of Manitoba whether the reduction made in freight rates on butter in 1922 had any effect, and the witness replied: "Well, that is a very difficult question to answer definitely."

In his printed submission, counsel for the National Dairy Council stated:—
According to the principles of rate making the volume of the commodity moving and the value of the commodity are two important elements to be considered in estimating the reasonableness of the rates charged by a railway company for hauling the commodity in question.

During the past few years the production, consumption in Canada, and the exportation from Canada of butter has greatly increased, therefore, the volume of butter transported by the railways has also greatly increased.

During the same time the price of butter in Canada has been greatly reduced and the railway rates for hauling butter in Canada for both domestic consumption and export have been greatly increased.

It will be noted reference was made to increases in freight rates during the same period of time that the price of butter has been materially reduced. Similar reference is made in the submission of counsel for Saskatchewan. For example, basing on the wholesale price of butter per pound in Winnipeg, it was stated "the wholesale price to-day is 8 cents per pound less than it was in 1918 before any increases were put in effect by the railways" (Vol. 463, p. 6963). To take 1918 as the base for price comparison does not place the situation in proper perspective, for the reason that prices of commodities advanced very materially, and were in force a considerable period of time before freight rates were advanced. The first freight rate increase after 1914 took effect March 15, 1918, followed by further increases in August, 1918, and September, 1920, with reductions January 1, 1921, and December 1, 1921. There was a subsequent decrease in August, 1922, on a limited list of certain basic commodities, but this did not affect butter. The price movement, in the case of butter, is already shown herein in connection with the statistics as to production, but is reproduced below for ready reference:—

Year	Average value in cents per pound			
	Manitoba	Saskatchewan	Alberta	
5	28.99 31.00 36.80 46.19 52.61 56.51 38.08 34.12 34.13 32.93 35.93	27.68 31.04 37.33 44.34 52.77 56.14 36.31 34.45 34.42 33.32 36.72	26·79 30·72 38·77 44·46 51·87 55·45 34·81 33·25 32·96 31·15 35·45	

Taking Manitoba, the price had advanced from 28.99 cents in 1915, to 46.19 cents in 1918 before there was an increase in freight rate; in the case of Saskatchewan the advance during the same period was from 27.68 to 44.34 cents; katchewan the advance during the same period was from 27.68 to 44.34 cents; and in Alberta from 26.79 to 44.46 cents. The peak prices were reached in 1920.

Freight rates fixed to bear a relationship to the fluctuations in the price of commodities would have no permanency, nor would they necessarily have any relation to the cost of service, or other factors that are controlling in the establishment of rates, and this has never been accepted as a valid or proper principle of rate-making. The following excerpt from the Board's judgment in the complaint of the National Dairy Council of Canada on behalf of the Manufacturers' section of the Alberta Dairymen's Association re freight rates on butter east and west of Calgary and Edmonton (Vol. XII, Board's Judgments, Orders, Regulations and Rulings, p. 146) is particularly relevant on this point:—

The application was, in substance, the contention that because the selling price of butter had gone down since the rates were increased the rates should be accordingly reduced.

The principle of charging what the traffic will bear is one of the factors which has been recognized in connection with rate regulation. At the same time, it has not been accepted as the only factor. If a reduction in the price of a commodity is to automatically bring with it a reduction in the rate, it would logically follow that an increase in the price of a commodity would automatically carry with it an increase in the rate. This principle has not been accepted by the Board as valid. The mere ability of an article to pay, aside from the question of whether the increase in revenue to be derived from the increased rate is justifiably necessary, is not a conclusive justification for an increase in rate. In the increase in rates which Canada has had to face, the increase in rates was not made at the same time as prices went up. A considerable period of time clapsed before the rates were increased, and the justification for the increase was the increased cost to which the railways were subjected.

Exhibit 12 filed by the National Dairy Council shows export and domestic rates frem prairie points to Montreal and Vancouver on a wide range of articles. This comparison does not provide the Board with anything determinative as to the reasonableness of the rates on butter. Generally speaking, there is no analogy whatever between the articles compared, which are widely different in character, take different classification ratings, and have a wide range in values, although the values were not shown. For example, obviously quite different factors would be considered in establishing commodity rates on such articles as returned empty carriers, scrap paper, scrap rubber, stone, potatoes, lumber, bags and bagging, iron or steel angles or bars, paper bags, cereals, and many others chumerated, than would be given weight in the fixation of rates on butter. The majority of the articles enumerated are not of a perishable nature and are handled in ordinary box car service. The conditions with regard to the handling of butter are quite dissimilar, as it is a commodity that must be handled in refrigerator cars that are specially cleaned for the purpose. A comparison with packing house products leaves out of consideration that the carload rating on the latter is 5th class as compared with 3rd class on butter. The present classification rating on butter was under consideration by the Board when Canadian Freight Classification No. 17 was before it for approval, and the Board found that the present rating was justified (Vol. XV. Board's Judgments, Orders, Regulations and Rulings, p. 199).

In exhibit 13 compiled by Mr. Shiels for the Western Canada Dairy Association, numerous computations and comparisons were shown, and there were set out statements of what it was alleged the rates on butter would be if based on the gross ton mile cost figures of the Canadian Pacific Railway plus 50 per cent to provide for special equipment and profit. Under Mr. Shiels method of calculation he produced rates very much below those now in force Mr. Shiels stated that he had used the gross ton mile figures shown in state ment produced by the Canadian Pacific Railway, pursuant to request of course

for British Columbia (exhibit F.H. 98, p. 17); for the tare weight of the car a figure of 20 tons had been taken; and that nothing had been included to cover the return empty haul. The gross ton mile cost varies in the different railway operating districts and it developed that in computing the cost, say from Calgary to Montreal, Mr. Shiels had not used the operating district mileage of the railway for the various districts, and subsequently an amended exhibit was filed. Mr. Shiels stated the "plus 50 per cent" was allowed to cover railway operating costs which were not allocated between districts and, therefore, not included in the gross ton mile figures supplied by the Canadian Pacific Railway; profit; cost of special equipment; and "those items that I did not understand." Later, at the final hearing, a second amended exhibit was filed in which the calculation was based on a tare weight of 31 tons.

Counsel for the railway pointed out that when computing gross ton mile cost figures on any particular movement, they have to be applied first on the gross ton miles hauled in the loaded movement, and then there has to be added to this the gross ton mile cost for the tare weight of the car for the percentage relationship of empty to loaded freight car miles by districts. This is illustrated at page 57 of exhibit F.H. 98, in conjunction with the data shown on page 56 of the same exhibit. While a tare weight of 20 tons was first taken by Mr. Shiels, and later, a second amended exhibit was filed, based on tare weight of 31 tons, the railway stated the average tare weight of the refrigerator cars used in this butter traffic is 62,000 pounds, without ice, and 69,000 pounds with ice; further, that so far as this particular movement is concerned, returned empty car haul would represent approximately 75 per cent of the loaded car haul.

With regard, however, to the gross ton mile figures supplied counsel for British Columbia and used by Mr. Shiels in this exhibit, Mr. Lloyd, Assistant Comptroller of the Canadian Pacific Railway, under cross-examination by counsel for British Columbia, pointed out that these were not a proper measure of the actual cost of handling revenue freight traffic, or any basis for computing a freight rate, for the reason that they did not include certain items of operating expenses—some \$12,000.000—that were not allocated as between districts and, consequently, not included in the gross ton mile figures shown in exhibit F.H. 98; that they included caboose gross ton miles, also the gross ton miles of the non-revenue freight handled, which is 15 per cent of the freight gross ton miles on western lines and 10 per cent on eastern lines, and which is an overhead on the revenue traffic; that they did not include anything for fixed charges, dividends, or any requirements over and above operating On February 1, Vol. 495, p. 1490, exhibit F.H. 169 was filed by the Canadian Pacific Railway, showing that by making the necessary deductions. and to provide for net earnings at a rate of 5.75 per cent, the gross ton mile figures supplied counsel for British Columbia represented only 54.2 per cent of the requirements, or, as applied to freight traffic, it would be necessary to increase the total system gross ton mile cost figure for 1925 of .323 cents by 34.5 per cent.

Then, it must be further borne in mind that this is an "average" gross on mile figure for all commodities ranging from sand to silk. Obviously, such average figure could not be used without modification, up and down, when applied to particular commodity movements. The proposed rates submitted by Mr. Shiels cannot, therefore, be given any weight, containing as they do not many elements of error. Counsel for the National Dairy Council stated to was not prepared to suggest that the rates should be those shown by Mr. Shiels (Vol. 463, p. 7116) nor did he say what he considered the rates should be. During the argument, counsel for the province of Saskatchewan was asked what he submitted the rates to Montreal should be, and he stated he was not

prepared to answer that question, but he did suggest that consideration might be given to a reduction in the carload minimum weight of 50,000 pounds which

applies under the commodity rates.

As already referred to herein, in his argument counsel for the province of Alberta confined his application to the rates on butter to Vancouver, and after alluding to the exhibits filed at Calgary, in which suggested rates were set out, asked the Board to direct its consideration to what he described as an alternative suggestion which he put forward, urging that it had much merit behind it. His proposition was as follows: Butter classifies 3rd class in carloads; the 3rd class standard mileage rate London to Montreal, 455 miles, produces a rate per ton per mile of 4.68 cents. The 3rd class standard mileage rate Calgary to Vancouver, 642 miles, produces a rate per ton per mile of 5.33 cents. He stated, "I am not making any point as to our being entitled to a less ton mile rate on account of our longer mileage; I am taking it as though they were the same mileage." 5.33 cents is 14 per cent higher than 4.68 cents, so that taking the standard mileage rates as a comparative basis, east and west, the ton mile basis in the west is 14 per cent higher than in the east, consequently the rate on butter from Calgary to Vancouver should not be higher than 14 per cent more than the eastern rate per ton per mile. He next took what he described as the commodity rate on butter from London to Montreal which produced a rate of 2.94 cents per ton per mile, 14 per cent of which equals '41 of a cent; 2.94 cents plus '41 cent equals 3.35 cents, which rate per ton per mile would produce a rate from Calgary to Vancouver of \$1.08 per 100 pounds, which is the rate applied for.

The London-Montreal calculation should have been based on 444 miles, instead of 455 miles, which would make the comparison 4.61 cents and 5.33 cents, the latter figure being $15\frac{1}{2}$ per cent higher. Similarly, the butter rate, 2.94 cents, should be 3.02 cents, and $15\frac{1}{2}$ per cent higher would produce a rate per ton per mile of 3.48 cents to make the rate Calgary to Vancouver \$1.12 per

100 pounds instead of \$1.08.

If this proposition is sound and logical, and a proper rate-making basis for constructing a rate on butter from Calgary to Vancouver, then the same principle would be equally sound and logical-and no doubt demanded-in constructing rates on other commodities, as well as class rates, consequently it seems necessary to ascertain what the effect of this proposition would be, if given a wider application. Without setting out the calculations in detail, it may be stated that taking the same standard mileage rate comparisons, east and west, as above illustrated for 3rd class, it is found that, expressed in cents per West higher ton per mile, the situation is:-

Jei mile, the situation is.	than East
	29107
1st Class	23 %
2nd Class	151%
3rd Class	3 67
4th Class	17107
5th Class	
6th Class	1101
7th Class	West lower
	than East
10th Class	11 %
10th Class	

The same principle here urged, when applied to other commodities, will be found to produce some rather marked anomalies. For example, green hides are rated 5th class, while dry hides are provided in the classification with a rating one class higher, namely, 4th class. The present rates, and the rates that would be produced under the proposition here advanced, are as follows:-

FROM CALGARY TO VANCOUVER

	Dry hides	Green hides
Class		98 ets.
Present rate	681	66 cts.

Instead of the rate on the higher classified article, namely, dry hides, being 12 per cent over that on green hides as at present, the difference would be reduced to 4 per cent; the proposition reduces the dry hides rate 38 per cent, while the reduction brought about in the case of green hides is 33 per cent. The

reductions would not only be substantial, but also inconsistent.

The same proposition applied in the case of two articles taking the same classification rating works out as follows: Eggs and dry hides are both classified 4th class, in carloads; applying the same calculation as taken in the case of butter, and using the London to Montreal export rate as the base, the situation would be that whereas from Calgary to Vancouver the present rate on both eggs and dry hides is \$1.16 per 100 pounds, the rate produced on dry hides would be 68½ cents per 100 pounds, and on eggs \$1 per 100 pounds, so that while both these commodities take the same classification rating, and at present the same rate per 100 pounds, from Calgary to Vancouver, the dry hides rate under the proposition here advanced would become only 68½ per cent of the rate on the other article similarly classified and at present taking the same rate. This result is brought about by reason of the difference existing between the export rates on eggs and dry hides, in carloads, from London to Montreal, which are 67 cents and 46 cents per 100 pounds, respectively, and used as the basis under the formula proposed by counsel for Alberta.

However, there is another anomaly, namely, that if the domestic, rather than the export, rate from London to Montreal is taken as the base, the same calculation would make the rate on both eggs and dry hides from Calgary to Vancouver 93 cents per 100 pounds. In the case of eggs this is 7 cents lower than the rate of \$1 produced by taking the London-Montreal export rate as the

base: while in the case of dry hides it is $24\frac{1}{2}$ cents greater.

Therefore, to take the London to Montreal export rates as the basis for putter, and some other articles, it produces a lower rate from Calgary to Vanguver, than would be obtained by taking the London to Montreal domestic rate.

The same principle applied to the class rates, 1st to 7th class, from Calgary o Vancouver, would produce rates lower, except on 3rd and 7th class, than the rairie town tariff distributing class rates. The comparison follows:—

FROM CALGARY TO VANCOUVER

	1	2	3	A	E	0	-
						0	7
resent rateate as per above proposition	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	1 83 1 56	1 45 1 26	1 10 93	$\begin{array}{c} 98 \\ 84\frac{1}{2} \end{array}$	84 71½	59 53½
PRAI	RIE TO	WN TA	RIFF				
	1 89	1 58	.1 26	95	86	72	50

The proposition here advanced, worked out in its wider application, would ot only make drastic reductions in rates to Vancouver, but involve a reduction a rates between prairie points themselves. With regard to 10th class rates, the roposition would not work at all, because the western rate per ton per mile is stually 11 per cent lower than that of the east. It is not clear from the record hy London to Montreal was taken as the basis for comparison. Exhibit 12 in inted submission of counsel for province of Alberta showed a rate based on a Toronto-Montreal rate, which was quite a different figure from that prosed in argument. It might have been advanced with equal force that Windsor

to Montreal should have been taken as the basis for comparison, because it has a mileage of 555, which is more nearly comparable with 642 miles than the London figure of 444 miles. Taking Windsor, instead of London, it would produce quite different figures throughout, and on butter from Calgary to Vancouver would produce a rate of \$1.04 per 100 pounds. The difficulty about this theory is that no two eastern basing points will produce the same results. Aside from the drastic reductions in rates and railway revenues that would result from the adoption of this proposition in its wider application, and the inconsistencies it would produce, as well as being impracticable of application to certain traffic, I do not see wherein it has any merit as a proper principle of rate-making. It is well known that the relationship between the classes under the eastern scale is different from that of the west. What was described as a commodity rate on butter from London to Montreal is the 3rd class rate applying on export traffic, governed by the United States Official Classification. The export rates from Ontario points to Montreal are all of a competitive character and are built up on prescribed percentages of the Chicago-New York rate, which were directed by the Board in 1905 following a lengthy investigation-Orders 586 and 641 dated July 25 and September 4, 1905, respectively. So far as the domestic class rates from London to Montreal are concerned, these also are subject to special conditions which resulted in the scale of rates prescribed by the Board in 1907 in the so-called International Rates Case (Order 3258 dated July 6, 1907). I do not consider either the export or domestic class rate from London to Montreal, established under the conditions referred to, provide any proper basis for computing rates from Calgary to Vancouver.

Counsel for the National Dairy Council, also the province of Saskatchewan, submitted that the increased volume of the butter traffic warranted a reduction in rates; that the volume of the commodity moving is one element to be considered in estimating the reasonableness of rates. Volume is one of numerous elements, particularly on commodities moving in large quantity. While there has been an increased volume of butter traffic, relatively, the entire volume of the butter traffic is very small. In exhibit F.H. 98, pages 49, 50 and 51, there is shown originating freight by districts, on the Canadian Pacific Railway for the year 1924. The originating tons of butter and cheese were 3.282 in Manitoba, 3,194 in Saskatchewan, and 8,259 in Alberta. The total originating freight the same year in these districts amounted to 3,066,385 tons in Manitoba, 2,834,386 tons in Saskatchewan, and 4,006,181 tons in Alberta. The butter and cheese traffic represented a little less than 15/100 of 1 per cent of the total originating tonnage in the three districts. Butter is not the only commodity in respect to which there has been increased tonnage handled by the railways in recent years. I do not consider that the increased volume of butter traffic warrants a revision of the rates thereon from that standpoint.

With reference to the carload minimum weight of 50,000 pounds applying in connection with export commodity rates to Montreal, it was suggested by counsel for Saskatchewan that if this were reduced to 40.000 pounds, it might enable some of the smaller creameries to take advantage of the rate who cannot do so now, but the matter was only touched upon in his argument without any additional details. Counsel for the National Dairy Council stated (Vol. 463, p. 7031) that they were not complaining about the 50,000 pounds minimum weight or contending that it was too high, but merely pointing out the carload carning on this weight as an argument that the rate should be lower. I do not consider the question of carload minimum weight was sufficiently developed to warrant a direction at this time that a change be made therein.

The classification rating on butter was considered and the present rating held to be justified in 1925 (Vol. XV, Board's Judgments, Orders, Regulations and Rulings, p. 199). The class rates are as prescribed by the Board. Rates lower than these normal rates are now in force on shipments to Vancouver, also to Montreal, for export. From the standpoint that the rates should properly be viewed, namely, other rates in the same territory, or between the same points, with due regard to differences in classification ratings and the character of the traffic, I do not consider that on the record a case has been made out warranting a direction for a reduction in the rates on butter from prairie points to Vancouver or Montreal and other eastern Canadian points.

While rates locally on butter in the West, also in Eastern Canada, were embraced in the broad wording of the submissions, this portion of the case was not developed in evidence or argument. The same remarks apply to cheese rates which were referred to in the printed submission of the National Dairy

Council.

File No. 34123.38

Complaints of the Essex County Corn Improvement Association, the Essex County Development Association, the Essex County Livestock Improvement Association, Harrow Farmers' Co-operative Association, Township of Colchester South, Essex Board of Trade and Cottam Board of Commerce, alleging discrimination in freight rates on products of Essex County

The submissions of the above-named organizations were in the form of resolutions requesting that the Board investigate alleged discriminatory freight rates at present in effect covering transportation of the products of Essex county, and grant such relief as might be necessary to enable shippers of Essex county to compete with products produced in other sections of the country. The submissions were no more definite in character than here outlined. The matter was set for hearing at Windsor, January 12, 1926, and counsel for Quality Canners stated that the various associations were interested only in so far as their connection with the canning business was concerned, and that their submissions should, therefore, be considered as supporting the complaint of the Quality Canners of Canada, Limited. The latter complaint is covered by file 34123.3.3 and fully considered and set out in report which has been made under that file.

File 34123.39

Prince Albert Board of Trade

The submissions of the Prince Albert Board of Trade support those of ertain other Boards of Trade, etc., and are, therefore, covered by the decisions rived at with regard to such submissions, consequently, it is unnecessary to eport more specifically here on the submissions of the Prince Albert Board of Trade.

File No. 34123.42

ubmission of Dominion Textile Company, Limited, Montreal, re rates on Cotton Piece Goods

By written submission dated August 24, 1925, the Dominion Textile Comany, Limited, Montreal, pointed out that there are commodity rates in effect n cotton piece goods from Marysville and St. John, N.B., to various points Quebec and Ontario, whereas on cotton piece goods shipped from Montreal, fagog and Quebec, Que., the class rates apply, there being no lower comtodity rates in effect from the points last named, as in the case of Marysville

and St. John. N.B. The Textile Company stated this appeared to them to be a discrimination in favour of Marysville and St. John, N.B. The matter was not further developed orally at the final hearing.

The Maritime Freight Rates Act, 1927, required a reduction effective July 1, 1927, in the existing rates from Marysville and St. John, N.B., to points

in Quebec and Ontario, and section 8 of said Act reads:-

The purpose of this Act is to give statutory advantages in rates to persons and industries in the three provinces of New Brunswick, Nova Scotia and Prince Edward Island, and in addition upon the lines in the province of Quebec mentioned in section two (together hereinafter called "select territory"), accordingly the Board shall not approve nor allow any tariffs which may destroy or prejudicially affect such advantages in favour of persons or industries located elsewhere than in such select territory.

In view of provisions of said Act, it is not apparent that any change can now be made in the rates from Magog, Quebec, or Montreal, without affecting the advantages created by the statutory rates, in favour of the shippers at Marysville and St. John.

File 34123.55

Canadian National Millers Association, Montreal, Que.

The written submissions of the Canadian National Millers Association dated March 1 and December 2, 1926 deal with the matter of rates on grain and grain products from Fort William to Montreal. No direction is being made by the Board at this time with regard to said rates.

File 34123.57

Application of Weyburn Bottling Works, Weyburn, Sask., et al., for reduction in rates on returned shipments of containers used in the transportation of non-intoxicating beverages.

This is an application submitted by counsel for the province of Saskatchewan in letter dated April 15, 1926, on behalf of the Weyburn Bottling Works, Weyburn, Sask., and a number of other bottling companies in Saskatchewan. and was spoken to at sittings of the Board in Regina, June 23, 1926, Vol. 465, pages 7813-7818. The matter is really one of classification, rather than rates.

The application relates to returned shipments of containers, consisting of glass bottles, in cases, which have been used in the transportation of non-intoxicating beverages. There is a substantial movement throughout the country of returned empty second-hand carriers; such as bags, barrels, kegs, drums, bottles, boxes of various kinds, egg cases; tinned biscuit, cracker and confectionery boxes, carbovs, banana crates; acid, ammonia, carbide, gas and soda water cylinders, etc., and in respect to these returned empty second-hand containers, there is provision in the Canadian Freight Classification for a lower rating than applies on the same articles when shipped new. The regulations surrounding these returned shipments provide that when offered for shipment as returned empty packages they must have been used in the transportation of a regular consignment and are being returned to the consignors of the original filled packages via the same line over which they were originally shipped, otherwise they will be charged at the regular rates for new packages. Obviously, the cost of transporting these containers, when returned empty, is no less than when they are shipped new. The rating on new bottles of the character here under consideration is 3rd class, L.C.L., and the returned empties are provided for at the lower rating of 4th class, which is the lowest rating provided in the Canadian Freight Classification for any type of these empty carriers; a great many of the empty containers are provided for at 3rd class. The position of the railways has always been that the low rating on returned empties has been a voluntary concession on their part. In the revision of the classification, which was completed and resulted in the issuance of Classification No. 17 about two years ago, it had been the original intention of the railways to cancel the rating on returned carriers; that on all other articles or commodities no distinction is made between new and old, and they saw no good reason why the same rating should not apply on old containers as new containers. However, this proposition met with considerable objection from some of the interested shippers and finally the provision for these empty carriers, as found on pages 68 and 69 of the classification, was agreed upon in conference between representatives of the railways and the shippers before the Special Classification Committee, which was, in itself, a joint committee composed of representatives of the railways and the shippers.

Request is made that provision be made for the return of the particular containers, described in this application, at one-half of the 4th class rates, it being alleged that a rate similar to that herein requested is in force between certain United States points in the states of Montana and Minnesota. It was stated that the outgoing shipment of soft drinks weighs about 75 pounds per case and the returned shipment of empties weighs practically two-thirds of the weight of the outgoing shipment, and a comparison was drawn between these and returned shipments of oil barrels or drums, it being stated that the latter were only approximately one-sixth of the outgoing weight as compared with returned empties here in question. Reference was also made to the return of drums used in shipping carbonic acid gas which weigh 150 pounds outward and 100 pounds when returned, and on the latter it was stated rates were accorded that were practically one-half of the 4th class rate. The foregoing represents oractically all that was submitted on behalf of the applicants, so that it will be noted that the matter was not very fully developed.

As far as relates to the returned carbonic acid gas cylinders, the reduced catese referred to by applicants, and which were higher than one-half of the 4th class town tariff rates applying on applicants' shipments, were cancelled effective July 1, 1926, and they now pay the same rates as those charged on the containers used by the applicants. A comparison between the outward weight, and the weight of the returned empty package, is not, in itself, particularly relevant, as there are a great many varieties of returned empties, as already pecified herein, and a considerable variation in the weights of the goods shipped herein. As against the comparison cited by applicants, it might be noted hat gas cylinders weighing 109 pounds when shipped out full, weigh 99 pounds when returned empty, and another size weighs 220 pounds when full and 200 bounds when returned empty, and the 4th class rating is applicable on the eturned movement.

With regard to the lower rates said to be in effect in the states of Minneota and Montana, the tariffs, of course, are not on file with this Board, and here is nothing on the record indicating the territorial application of said rates r the articles they apply on. The Western Classification is in effect throughut the northern United States territory west of Chicago and in this classification ew bottles are rated 3rd class, L.C.L., and old bottles 4th class, L.C.L. The ower rates said to be in effect in certain sections of this territory are, apparently, overed by some special tariff provision, the circumstances concerning which re not within the knowledge of the Board.

The provisions of the Canadian Freight Classification apply throughout anada, and while there are no complaints from any other interested shippers itside the province of Saskatchewan, any change in the classification provision ould have general application throughout the country, and could not be insistently confined to the specific containers covered by this application. The iestion at issue, therefore, is far-reaching in its effect and covers a greater

volume of traffic in other sections of the country than in the Province where the application originates. No evidence whatever is on the record alleging that the present rating is in itself unreasonable, or that it imposes any hardship upon the industry. Evidence of this character would be very much more material than any of the submissions that were advanced in support of the request for reduced rates.

On what is before the Board on this record the applicants have not made

out a case which would warrant any change being made.

File No. 34123.58

New Westminster Board of Trade

There were no written submissions filed by the New Westminster Board of Trade, their representations being made at sittings of the Board held in New Westminster on July 15, 1926 (Vol. 471, pages 11364 to 11451).

Speaking generally, the representations made at the hearing in question will be covered by the disposition of the case of the province of British Columbia.

There was an exhibit filed giving comparison of rates on various kinds of paper from New Westminster to Eastern Canada, as compared with rates on same commodity from Eastern Canada to New Westminster, and this showed some differences. For example, on wrapping paper, carloads, from New Westminster to Merritton, Ont., \$1.47; Merritton to New Westminster, \$1.20. With regard to tissue paper, not printed, it was stated the rate from New Westminster to Merritton is \$2.811 and Merritton to New Westminster \$2.081, but there was an error in this exhibit, as the rate New Westminster to Merritton is the same as in the opposite direction, namely, \$2.081. With regard to bond, writing, drawing and lithographed paper, the westbound rate is \$1.20, and eastbound there is no commodity rate, the regular class rate of \$2.811 governing. There was discussion as to qualities of paper made by eastern manufacturers and those at the coast, also competition in prairie markets, although, as to the latter, the matter was not fully developed. There has never been any recognized parity of transcontinental rates, under which the rate eastbound has been exactly the same as that established westbound on the same commodity, or vice versa. The individual transcontinental commodity rates are governed by numerous and varied competitive conditions. If there is any westbound transcontinental rate on a commodity, that is alleged to be discriminatory against the shipper of the same commodity eastbound from the Pacific coast, it should be the subject of specific complaint, when the matter could be fully developed, as there is not sufficient on the record of proceedings here to enable the matter to be intelligently dealt with.

There were some references to express rates which are outside the scope

of the present inquiry.

File No. 34123.60

Kamloops Board of Trade

There were no written submissions filed by the Kamloops Board of Trade, their representations being made at sittings in Kamloops on July 8, 1926 (Vol.

467, pages 8665 to 8725).

At pages 8667-8670, Mr. A. M. Tyrrell, representative of the Maple Leaf Milling Company, submitted that on account of the sparse settlement of that portion of the Canadian National Railways between Kamloops and Jasper, there should be established from Kamloops to stations on this portion of the Canadian National line L.C.L. rates that would represent a reduction of 50 per

cent from the current rates, and give this portion of the line what might be called colonization or settlers' effects rates. A similar rate arrangement was not requested from Kamloops to stations on Canadian National Railways west thereof, nor from Kamloops, either east or west, to points on the Canadian Pacific Railway. At page 8671, Commissioner Oliver inquired as to the situation on the Canadian National Railways line from Redpass Junction to Prince George, and the answer was that distribution to this territory was made from Edmonton. A comparison as to the extent of population or development along that portion of the line embraced in the application, as compared with other portions of the line, is not on the record. The request was not based on any allegation that the rates applied for would be no higher than would be proper and reasonable rates per se; they are asked for purely as a measure of assistance to settlers in that district. The position taken by counsel for the Canadian National Railways is set out at page 8675 as follows:—

Mr. Fraser: As I understand, what they want is a reduction in distributing rates L.C.L. from Kamloops and intermediate points up to Jasper. I would like to have a look at the record before answering. But generally speaking it would seem to be rather a novel departure, that on a newly constructed line we should have a lower basis of rates than when the line is older. Usually, quite the reverse is the case. My understanding is that these distributing rates are the ordinary distributing rates in effect in British Columbia. It would seem to be a difficult thing to work out a lower basis of rates from this particular section of the country than obtains in all the rest of British Columbia. You know of course what would happen, the day after they were made effective, Mr. McGreer would be right after us, saying, 'Here you are with your unjust discrimination, we must have the same basis of rates.'

It would seem to me practically speaking an impossibility under the Railway Act, but I would like to take the complete record and go carefully and sympathetically through it,

and if necessary reply in detail later on.

In view of previous decisions of the Board as to its powers under the provisions of the Railway Act, I consider that the granting of an application on the basis here made, for a restricted territorial application of rates,

transcends the jurisdiction of the Board in respect thereto.

At page 8677, Mr. C. F. Bickford, Manager of the Kamloops Canneries, Ltd., made a somewhat similar representation on behalf of shippers of berries by express from the Clearwater district, about 86 miles north of Kamloops on the North Thompson river, to British Columbia coast and prairie points. The Board has already ruled that express rates are not within the scope of the

present General Freight Rates Investigation.

Mr. Bickford made reference to rates on canned goods, in carloads, from Kamloops to Vancouver. At page 8680 he asked that there be considered the lifference between the present rate and what it was about three years ago, and stated "At that time we had a rate which, on the 60,000 pound car, was 7 ents better than our competitors in Kelowna. Recently, as you probably now, a zone rate was put in which took that 7 cent advantage away from Camloops." A check of the tariffs fails to indicate that there has, at any time, een a difference of 7 cents between Kamloops and Kelowna with respect to ate on canned goods subject to carload minimum weight of 60,000 pounds. 'rior to July 1, 1924, there was a commodity rate with carload minimum reight of 40,000 pounds, and the rates to Vancouver were, from Kamloops 53 ents and Kelowna 60 cents. Effective July 1, 1924, the tariff was amended. ontinuing the rates just named, subject to carload minimum weight of 40,000 ounds, but also establishing for the first time a new rate of 45 cents per 100 ounds from Kamloops, Kelowna, Vernon and Penticton, subject to carload inimum weight of 60,000 pounds. It will, therefore, be noted that from the aception of the commodity rate subject to carload minimum weight of 60,000 ounds, there was not a difference of 7 cents between Kamloops and Kelowna s stated by Mr. Bickford. With respect to commodity rates subject of 60,000

pounds minimum, the shipping territory seems, from the inception thereof, to have been blanketed at the same rate, and there is nothing on the record here that would enable a conclusion to be formed as to whether or not this is an unreasonable arrangement. It is a situation that existed when the rates were first put in, and has since continued, and the matter would require to be more thoroughly developed before any intelligent or conclusive opinion as to the reasonableness thereof could be formed.

It is noted from the tariff that a grouping arrangement also exists with respect to canned goods rates eastbound to prairie points, under which Kamloops is in the same group as Armstrong, although there is a difference in mileage in favour of the latter, and it was stated that the greater proportion of shipments from the Kamloops plant were made to prairie points (page 8682).

Beginning at page 8685, Mr. Creighton Campbell made reference to the transcontinental rate situation, under which rates to coast points were lower than to intermediate territory, which included Kamloops. The decision of the Board on the general question of transcontinental rates obviates the necessity of the matter being separately discussed here.

Pages 8695 to 8710, Captain T. H. Worsnop made some representations as to passenger rates. This is a matter that is to be separately dealt with accord-

ing to the reading of the record at page 8709.

At page 8711, rates on coal from a number of points to Kamloops were quoted, and it was pointed out that the rate per ton per mile was higher from the nearer points than from the points of origin that were a longer distance from Kamloops. It has always been a well recognized principle of rate-making that there is a tapering of the rate per ton per mile as the distance increases. Aside from pointing out that this tapering did exist, there was no specific complaint made as to the coal rates, and the matter was not sufficiently devel-

oped to be further dealt with here.

Commencing at page 8713, some reference was made to the rate on wool, carloads, from Kamloops to Weston, Ont., it being stated that there had formerly been a rate of \$2.14 per 100 pounds and the present rate is \$2.34. The matter was not specifically developed, but it is assumed that the representation could be considered in the light of an application to restore the lower rate, in order to benefit the wool grower. The representative of the railway company stated that a few years ago representations had been made that the sheep raisers were in a somewhat similar situation to the hog and cattle raisers on account of post-war deflation in prices, etc., and the carriers agreed to temporarily establish a reduced rate to assist the industry; that this reduced rate was put in effect at various periods extending over two or three years, and then had been dropped and the normal rate allowed to apply. Wool, in carloads, is rated 5th class, and the normal rate thereon from Kamloops to Toronto is \$2.34. There is no allegation on the record that this rate is unreasonable per se, and on what is on the record I do not see that the Board would be warranted in making any direction. The Board has held in numerous judgments that, with regard to rates to develop traffic, the railway companies have a discretion and may voluntarily establish rates lower than could be justifiably directed or compelled by the Board.—Application of the Mount Royal Milling and Mig. Co., Board's Judgments and Orders, Vol. XV, page 58. Application of District Board of Trade, Coalhurst, Alta., for station facilities, Board's Judgments and Orders, Vol. XIII, page 260. National Dairy Council of Canada, re freight rates on butter, Board's Judgments and Orders, Vol. XII, page 149-150. Red Deer Valley Coal Operators' Association, Board's Judgments and Orders, Vol. X, page 66-70.

File 34123.65

Canadian National Millers Association, Montreal

This submission, filed under date of July 15, 1926, dealing with milling-intransit in connection with grain ex lake ports for milling at interior Ontario points, has been subsequently disposed of by issuance of the Board's Order No. 38264, dated October 15, 1926, on complaint of the Wolverton Flour Mills Company, St. Marys, Ont.

File 34123.66

Application of the Alberta Wholesale Implement Association, Calgary, for a commodity rate on binder twine to points in Alberta that does not exceed the transcontinental rate on twine to Vancouver; and that arrangements be made by the Railway Companies to permit a stop-over privilege on through cars of farm machinery shipped to small towns.

The matter of transcontinental rates is dealt with in the judgment of the Board.

Application was also made for a stop-over on carloads of machinery for partial unloading.

According to the submissions read into the evidence at the Calgary hearng on July 3, 1926, the stop-over would build up carload movement and more venly distribute it and would give small towns a better implement service. t would also facilitate delivery of goods well in advance of the harvest and build up volume to the railway.

There could be no building up of carload movement since the intention is o divide carloads between two or more consignees. No evidence was offered, or was it alleged, that the arrangement requested would increase sales and, herefore, I fail to understand how volume would be built up for the railway.

At page 8575, in reply to question of Mr. Commissioner Oliver, the service esired was illustrated as follows:—

For instance, a dealer in Bassano and a dealer in Gleichen, we will say, would each ish to take a carload of goods to be shipped from Fort William. The car would be billed Gleichen with stop-over at Bassano. The Bassano dealer would take out his portion of the goods and the car would go on to Gleichen taking the through rate to Gleichen.

It was stated such an arrangement was at one time in effect in the United tates and that a stop-over was charged. No tariff reference was given as uthority for such an arrangement in the United States, nor was evidence ffered as to the period effective. Complainant expressed the opinion that there rould be one stop-off and that a charge of \$5 would not be unreasonable.

At page 8581, Vol. 467, Mr. Flintoft brought out the point that in handling achinery in the manner suggested there would be two consignees located at ifferent points and stated:—

One of the fundamentals of the contract of carriage is that you have a shipment conend to one person at one place. He is asking to have a car consigned to two persons at different places.

Partial unloading of carlead freight in transit is not permitted on any mmodity in any part of Canada. To establish the arrangement requested on rm machinery would have the effect of applying carload rates on less than rload movements and would lead to similar applications in connection with her commodities.

The present method of distributing farm machinery is to ship in carloads to nolesale centres and distribute in less than carloads to surrounding towns. is claimed that to points distant from the wholesale centres the service is slowed expensive. It is not necessary to distribute from wholesale centres. If ders are secured along one line they may be distributed by paying the carload

rate to the first destination, and L.C.L. rates for the balance under new contract. Taking the example given by complainant, under the present tariff a carload of farm machinery may be shipped to Bassano at the carload rate to that point, a portion unloaded, and the balance forwarded in the same car to Gleichen at the L.C.L. rate and under a new contract.

The present movement for these points would probably be carloads to

Calgary and back-haul at L.C.L. rates to Bassano and Gleichen.

I can see no reason for giving special treatment to farm machinery and recommend that this application be dismissed.

File No. 34123.68

Board of Trade of Prince Rupert, B.C.

There were no written submissions filed on behalf of the Board of Trade of Prince Rupert and their representations were made at sittings in Prince Rupert on July 30, 1926, Vol. 472, pages 11756-11782. At pages 11757 and 11761 it was set out that Prince Rupert, although further distant from Edmonton than is Vancouver, should be recognized as entitled to equality with the port of Vancouver, but just what necessitated this submission is not apparent, because with respect to import of export traffic through Prince Rupert, it is on an equality with Vancouver in the matter of rates. At pages 11759-11764-11778 reference was made to rates on fish, but the rates in question are express rates which are outside the scope of the present investigation. At pages 11768-69 reference is made to express rates on cream. At page 11763 reference is made to rates on potatoes, which is the matter dealt with and covered by report on file 34123.2.1. At page 11778 some fish rates were quoted, but the matter was not developed. It was indicated that the rate on frozen fresh fish from Prince Rupert to eastern Canadian points was higher than the rates on smoked fish from Maritime Province points to Prince Rupert, but the two commodities take different classification ratings and the conditions concerning their transportation would, in some respects, be dissimilar, and the record does not indicate what is being urged or alleged with regard to the rate comparisons given. There was a reference to the rate to New York being lower than to Toronto and Montreal, but these rates are subject to competitive influences under which the rate from Prince Rupert to New York is maintained on a parity with the rate from Seattle to New York.

At pages 11760-11766-11771 to 11776 reference was made to coal rates, and there is also on the file letter under date of November 16, 1926, from the Saunders Ridge Coal Co. Ltd., Mercoal, Alta., in this connection. The complaint here is against a rate of \$4.40 per net ton in effect from Luscar and Cadomin, Alta., to Prince Rupert. It is pointed out that at one time the rate was \$3.40 per net ten, but the present rate of \$4.40 per net ton shows as having been in effect since May 23, 1923. The rate in question is published as a competitive rate which is not applicable as maximum from or to intermediate stations. competition in Prince Rupert appears from the record as against movement by water from Vancouver island and the state of Washington. It is stated the coal is being barged into Prince Rupert by independent towing companies at a rate of \$2 a long ton as compared with the rail rate of \$4.40 on a short ton from Alberta. The rate of \$4.40 was not in any way attacked on the ground that it was an unreasonable rate per se, but the substance of the submission was that the railway could probably increase its coal traffic from Cadomin to Prince Rupert if the present rate were reduced \$1 per ton. The rate of \$4.40 per net ton from Cadomin to Prince Rupert, 876 miles, produces a rate of .502 cents per ton per mile, and as indicating that this rate, which, as already stated, is tariffed as a competitive rate, is on a low basis, it may be stated that the Pacific freight scale for this mileage would be \$6.80 per net ton and the Prairie scale for the same distance would be \$5.30 per net ton. It is not clear to me on what grounds the Board could direct a further reduction in a competitive rate of this character, which is already materially below the normal coal rates authorized for similar distances, particularly in the absence of any allegation on the record that the rate is unreasonable per se. The rate yields a very low figure per ton per mile.

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APPLICATION JAS. MCDONNELL COMPANY, LIMITED, in re SHIPMENT OF HAY TO CANADIAN PORTS FOR CATTLE FEED

Report of Chief Traffic Officer, dated July 28, 1927, adopted as the Judgment of the Board

There was some ambiguity in the development of this application. Applicant's letter of January 26, which initially brought the matter to the attention of the Board, referred to hay intended to be used for cattle feed as entitled to the same "privilege" as export hay. In further letter of March 18, applicants set out "that the domestic and export rates are identical to nearly all winter ports in Canada from the different shipping points, so we have no complaint." At the hearing in Montreal on May 12 (vol. 513), counsel for the applicants stated at page 8711: "There is no question of rate"; this was repeated at page 8712. My understanding of what is involved, therefore, is the question of free time allowed for unloading cars of hay intended for feeding cattle on board ship and the demurrage charge made after expiration of such free time.

At the present time the Canadian Car Demurrage Rules, as published in Agent Collins' Tariff C.R.C. No. 4, are being applied. These rules allow 48 hours for unloading and after the expiration of the free time allowed the demurrage charge is \$1 for each of the first two days or fraction thereof of a day, and \$5 for the third or each succeeding day. There is an exception under which five days free time shall be allowed at Montreal and all tide-water ports for unloading lumber and hay for export, but this exception has not been applied as this hay is not looked upon by the carriers as being export traffic in the usual application of that term under the railway tariffs.

As distinct from the demurrage rules in the tariff referred to, there are published car demurrage regulations on carload traffic at tidewater ports, also Montreal; for example, in Canadian National Railways Tariff C.R.C. No. E-1205, item 467, it is set out:—

On carload traffic for export to British and foreign countries, including Newfoundland, but excepting the United States, which originates on the Canadian National Railways and connections within 400 miles of seaport, and on which the Canadian National Railways as received a road haul, ten days free time will be allowed from date of arrival. (See lotes 1 and 3.) On traffic originating on the Canadian National Railways or connections ver 400 miles from seaport and on which the Canadian National Railways has received road haul, fifteen days free time will be allowed from date of arrival. (See notes 2 and 3.)

On carload traffic for furtherance by water to ports in New Brunswick, Nova Scotia, Prince Edward Island or the United States which originates on the Canadian National Callways or connections, and on which the Canadian National Railways has received a oad haul, five days free time will be allowed from date of arrival. (See notes 1 and 3.)

Note 1.—Free time to be computed from first 7 a.m. following date on which notice f arrival is sent or given party to be notified. After expiration of free period named, at demurrage will be charged at the rate of \$1 per car per day or fraction thereof. Sundays and full legal holidays (Dominion, provincial or municipal) will be excluded when comuting free and car demurrage periods.

Note 2.—Free time to be computed from first 7 a.m. following date on which notice arrival is sent or given party to be notified. After expiration of free period named, in demurrage will be charged at the rate of \$2 per car per day or fraction thereof. Sunays and full legal holidays (Dominion, provincial or municipal) will be excluded when imputing free and car demurage periods.

Note 3.—Barrels, boxes or other containers in carloads used for packing export shipents at seaports, also bunker coal in carloads which originates on the Canadian National ailways or connections and on which the Canadian National Railways has received road haul, ten days free time from date of arrival will be allowed when for export to

British and foreign countries. (See note 2) and five days free time from date of arrival when for furtherance by water to ports in New Brunswick, Nova Scotia, Prince Edward Island or the United States. (See note 1.)

It was stated that the car demurrage regulations above quoted were made effective on account of the uncertainty of the ship's sailing as well as uncertainty in transportation to the port, and on this account the free time allowances, as set out in the tariff provision, were provided. The applicants point out that the difficulties just mentioned surrounding the movement of export hay, and as a result of which the special consideration is given, equally attach to the transportation of hay used for feeding cattle on these ocean steamers, that is to say, there is just as much uncertainty with regard to the time in transportation to the port and equally, of course, as much uncertainty as to the date of sailing of the steamer, with the result that this hay for feeding cattle on ocean steamers is subjected to exactly the same circumstances, as far as delay is concerned, as export hay. While I do not feel that this hay should, in an ordinary sense, be considered as export traffic, at the same time, for the purpose of delay and assessment of car demurrage. I feel there is great force in the parallel drawn by applicants, and that hav billed to the Canadian ports for feeding cattle on ocean steamers should be accorded the same car demurrage regulations as provided for export traffic, and that direction to the carriers issue accordingly.

APPLICATION TOWNSHIP OF RUSSELL, ONT., in re CAMBRIDGE STATION, NEW YORK CENTRAL RAILROAD

Judgment of Chief Commissioner, dated November 8, 1927, concurred in by the Assistant Chief Commissioner, Deputy Chief Commissioner, and Mr. Commissioner Lawrence.

By application dated the 8th day of April, 1925, the New York Central Railroad Company and the Ottawa and New York Railway Company asked from this Board permission to establish a freight and passenger agency station, to be known as St. Albert, at a point on the Ottawa and New York Railway about midway between Chrysler and Cambridge stations, and approval of plans of the location of said station and of the proposed buildings; and by Order No. 36337, dated May 1, 1925, the Board approved the location and details of the applicant companies' proposed station at St. Albert.

On April 24, 1925, the said railway companies made further application to the Board for permission to withdraw their agent from Cambridge station and to place him at the proposed new station at St. Albert, and to make Cambridge a non-agency station. Accompanying such request was a statement of the freight and passenger revenue for Cambridge station for the years 1922, 1923

and 1924, showing as follows:-

Year	Passenger	Freight	Total
1922	\$ 1,531 75 1,196 72 1,159 06	5,099 80	6,296 52

There also accompanied the application a letter from Messrs. Ewart, Scott. Kelley & Kelley, solicitors for the railway companies, addressed to the Assistant Secretary of the Board and reading as follows:—

We duly received your letter of April 9, your file 33958, relating to the application dated April 8 of the New York Central Railroad Company and the Ottawa and New

York Railway Company for permission to open a new station at St. Albert on the Ottawa and New York Railway.

We are now instructed that, as part of the proposed new arrangement, the company desires to withdraw the agent at present at Cambridge Station, which is only 1.44 miles north of the new proposed station of St. Albert, and to place this agent at St. Albert, leaving Cambridge Station a non-agency station. We enclose herewith application for this purpose, together with statement of freight and passenger returns at Cambridge for 1922, 1923 and 1924.

We are instructed that the change has been undertaken at the earnest request of the Township authorities and that the opening of the new station will be a convenience in general to the people of the township.

We are forwarding a copy of this letter and of the enclosed application to Mr. Meilleur, the township clerk.

In supposed compliance with the regulations of the Board concerning the closing of agency stations, a copy of the application was sent to Mr. J. P. Meilleur, the township clerk of the municipality of Cambridge, as stated in the letter just quoted, and Mr. Meilleur replied thereto acknowledging receipt of the application to withdraw the agent then employed at Cambridge station and to place him at the proposed new station at St. Albert, adding:—

I must say that on account of the present condition of things, the views of the company are receiving the greatest approval as it is evident that this change will be of the greatest advantage to both the company and the public at large.

With these documents on file, the Board made its Order, No. 36355, dated May 6, 1925, granting leave to withdraw the agent then employed at Cambridge Station and to place him at the proposed new station at St. Albert. On July 29, 1925, the Board was notified by the solicitors for the railway company that, as a result of a request by persons resident in the vicinity of Cambridge Station, from which station the company was recently permitted to withdraw its agent, the company has appointed a caretaker, who will be constantly at the station for the convenience of those who continue to ship from that point.

Early in the year 1926 difficulties arose, involving shipments from the two stations, claim being made that certain commodities shipped at Cambridge were unfairly credited to St. Albert, and other complaints were also made which, for the purposes of this case, it is unnecessary to detail.

As a result of representations made to the Board, one of its inspectors visited the locality and gathered details from which it was learned that when Cambridge was closed as an agency station, Mr. Albert Foucher was employed as caretaker at a salary of \$25 per month to look after the cleaning, heating, and lighting of the station, and in conversation with Mr. Bordeau, clerk of the township of Russell, it appeared that the closing of Cambridge Station as a regular agency was effected, as he alleged, without consulting or advising any person at Cambridge Station, or the authorities of the township of Russell, wherein Cambridge Station is located.

From the records of the Board, this is the first intimation of any irregularity in procedure as regards closing Cambridge as an agency station, but it now is admitted that what was alleged by Mr. Bordeau, the clerk of the township of Russell, is true, and that the notice of closing which should have been sent to him was in error sent to Mr. Meilleur, clerk of the adjoining township, in which he new station of St. Albert is located, whose ready acquiescence in the suggested change is on record.

The present situation is, that Cambridge is maintained as a non-agency tation with a caretaker, as above stated, and the new St. Albert Station, 1.44 niles north of Cambridge, is maintained as an agency station.

From the communications on file, as well as from what took place before he Board at the hearing on October 4 last, it is apparent that a great deal

of feeling has been aroused over the situation, and representatives from both localities are insisting that their rights be protected and enforced. It is contended with considerable show of reason that the move has been a satisfactory one for the railway company. It has filed a summary comparative statement of the receipts at St. Albert and Cambridge Stations as follows:—

SUMMARY COMPARATIVE STATEMENT

FREIGHT

July 1925, to July, 1927:— St. Albert	.Forwarded\$	27,741 57		
	Received	11,000 10	39,391 73	
Cambridge	Forwarded\$ Received	7,085 11	15,573 86	
Excess at St. Albert				23,817 87
Excess at St. Albert		\$	54,965 59	
July, 1923 to June, 1925:— Cambridge	.Forwarded\$ Received	12,861 14 3,318 00		
Total Increase since the change		s	16,179 14	38,786 45
	Passenger			
July, 1925, to June, 1927:-				
St Albert		2,683 29		
Cambridge, to May, 1926		1,072 52		
Excess at St. Albert		1,610 77		
Total of both stations Cambridge two years before			3,755 81 2,242 31	
Increase since the change.			\$	1,513 50

From the above, it seems that the total income of both stations is not sufficient to justify an agent at each place, having regard to the revenue requirements laid down by the Board's General Order No. 54, but it is evident that a large increase in business has ensued during the last two years. It is not the policy of the Board to direct stations to be established within two miles of each other, but there is no objection on that ground to a railway company establishing agency stations as close to each other as it may deem expedient. If an application be made to close either one of these stations, it will be dealt with on its merits, having regard to all the facts disclosed, and to the general practice of the Board. But General Order No. 119 is specific in directing that

"whenever a railway company, subject to the jurisdiction of the Board intends to remove a regular station agent, it shall first notify the local municipality or Board of Trade of its intention to apply to the Board for an order permitting such removal. Such application and notice shall state the grounds on which such removal is sought to be justified and shall, in each instance, show the gross earnings at the station in question from passenger as well as freight traffic and express business during the previous year.

"And it is further ordered that no regular station agent shall be removed until such removal be first authorized by the Board."

Admittedly, the requirements of this order have not been carried out, and in the circumstances it is impossible for the Board to justify the closing of Cambridge as an agency station. It is to be noted that while the application of the companies of April 24, 1925, was for permission to withdraw the agent then employed at Cambridge, and to place him at the proposed new station at St. Albert, and for permission to make Cambridge a non-agency station, yet

Order No. 36355, made on such application, is confined to granting leave to withdraw the agent then employed at Cambridge Station but says nothing

about making Cambridge a non-agency station.

It might be argued that leave so granted to withdraw the agent then employed at Cambridge Station, involves the closing of Cambridge as an agency station, and even if everything else were regular and the only difficulty in connection with the matter concerned the wording of the Order, No. 36355, this could be easily remedied; but in view of what is stated above, if the order be construed to mean permission for permanent withdrawal of the agent at Cambridge, such interpretation cannot be supported.

Under Order No. 36355 it is open to the companies to withdraw the agent then at Cambridge and place him at St. Albert, but at the pesent time at any rate, the effect of such order must be confined within those limits. It is not necessary, nor advisable, to withdraw permission to transfer the agent from Cambridge Station to St. Albert and, therefore, Order No. 36355 stands. But on this application the Order of the Board must be, that Cambridge be continued as an agency station, and that an agent be forthwith appointed thereat.

Application of Canadian National Railways in Re Abandonment of Portion OF SUTTON SUBDIVISION BETWEEN STOUFFVILLE JUNCTION AND MOUNT ALBERT, ONT.

Judgment of Chief Commissioner, dated December 22, 1927, concurred in by Assistant Chief Commissioner.

This is an application under section 19 of chapter 13 of the statutes 9-10, George V, incorporating the Canadian National Railway Company and respecting Canadian National Railways. The section in question provides:-

19 (1) With the approval of the Governor General in Council, and upon the recommendation of the Board of Railway Commissioners, the company may abandon the operation of any lines, or parts of lines, of railway and incidental works, the operation or continued maintenance whereof has, in the opinion of the Board, became unnecessary or inexpedient through duplication or other economical considerations; and with the consent of a majority in value of the registered security holders affected may dismantle or dispose of the lines of railway or works so abandoned.

The Board is asked to approve the abandonment of the operation of a part of what is known as the Sutton Subdivision of the Canadian National Railway Company, which runs from Stouffville, a junction point on the Uxbridge Subdivision, northward to Sutton and Jackson's Point, a distance of 26.91 miles, nvolving the total abandonment of such subdivision from Stouffville aforesaid to the point where the Sutton subdivision crosses the Bala Subdivision of the company's lines, a distance of 15.29 miles, and an alteration in the service from he last-named point northward to the end of the line as described hereafter.

The service at present from Stouffville throughout the subdivision, namely rom Stouffville to Sutton, is a tri-weekly mixed train provided for freight and passenger service, which runs northward from Stouffville on Tuesday, Thursday nd Saturday of each week, returning the same day. In addition to involving complete discontinuance of operation from Stouffville to Mount Albert, a point bout 21 miles south of the crossing of the lines of the two subdivisions, the assenger service is wholly withdrawn from operation on the northern section, amely from the point of such crossing to Sutton aforesaid.

The proposal contemplates a continuation of the freight service southward om the point of crossing to Mount Albert, for the accommodation of the erchants of the last-named place, under which arrangement the rails from the unction point to Mount Albert will be treated as a spur line to the latter place; ad northward from such point of crossing to Sutton, a tri-weekly freight service

ill be afforded to Toronto over the Bala Subdivision.

It thus appears that passenger service is to be wholly withdrawn from the localities along the entire line of the Sutton subdivision, and freight service reasonably sufficient continued from Mount Albert north to Sutton, while south of Mount Albert no such service is to be provided.

It is pointed out in support of the application that the proposed abandonment and rearrangement of service will effect an annual saving of about \$14,000.

Dealing first with the northern portion of the subdivision, over which freight service is to be continued, it may be said that notwithstanding a somewhat longer distance is involved in routing freight over the Bala subdivision than by the present direct line to Stouffville, nevertheless the tri-weekly service to be continued provides reasonable accommodation for that branch of the public need, and no lessening of the present service is contemplated or will be put into force; but the tri-weekly passenger service now afforded on the northern portion of the line is to be wholly withdrawn. As far as concerns Sutton and Jackson's point, it is noted that both these localities are immediately served by a radial line over which there is satisfactory daily service to Toronto.

The withdrawal of the above passenger service will affect two stations on this part of the subdivision, namely Baldwin, a distance of 3½ miles from Sutton, and Brownhill and Zepher crossing, which stations are less than 2½ miles from stations on the Bala subdivision over which passenger service is afforded.

From the above, it appears that carrying out the proposal embodied in this application has practically no effect upon the freight service over the northern portion of the subdivision, namely from Mount Albert to Sutton and Jackson's Point, and very little effect upon the passenger service over that part of the line.

Turning now to the southern portion of the subdivision, the operation of which is to be wholly discontinued if this application is given effect, it may be said that the present service is, as above remarked, a tri-weekly mixed train, passenger and treight, northward from Stouffville on Tuesday, Thursday and Saturday of each week, returning the same days; and the distance from Stouffville Junction to where it crosses the Bala Subdivision is 15.29 miles. Within that distance there are non-agency stations as follows:—

Ballantrae with annual earnings of about \$4,000. Vivian, the revenue of which is less than \$1,000. Powells, a stopping place for passengers.

This part of the Sutton subdivision runs through a farming community and is a connecting link between the Uxbridge subdivision at Stouffville, and the Bala subdivision, the connection with which is about 2½ miles north of Mount Albert.

Ballantrae is 5½ miles from Stouffville Junction and about 6½ miles from Vandorf, a station on the Bala Subdivision, and the withdrawal contemplated will necessitate travel to either one of these last named places to secure railway service. It is at this point that the greatest inconvenience occurs. Northward from Ballantrae the lines of the Sutton and Bala Subdivision converge so that at Vivian not over 2½ miles separate it from Pine Orchard, a station on the Bala Subdivision. The distances from these stations to be abandoned to the Uxbridge subdivision on the one hand, and the Bala Subdivision on the other, are reasonable distances for hauling produce to a steam railway. It is said that during 1926 the company handled from Ballantrae and Vivian combined, nine cars of vegetables, a material decrease from former years because of the competition of motor traffic.

Evidence was given as to the convenience of railway service to Musselman's Lake and the Eaton Club Farm, but both of these places are reasonably accessible from Stouffville Junction and are easily reached by motor travel.

Mr. Morgan Baker, Reeve of the Township of Whitchurch, in which Ballantrae is situate, while opposing the withdrawal, questioned whether it would affect any industry at the present time, but was of opinion that in the years to come business might suffer. Ballantrae is said to have a population of less than one hundred, with annual earnings to the railway company of about \$3,500.

It was also urged that the work of the Toronto and North York Roads Commission would be interfered with by the withdrawal of the service, as the broken stone necessary for macadamizing could not be carried to the point where the work is now being done. But the volume of traffic involved, spoken of as from five to six hundred cars within the next three years, is not from a railway standpoint of serious import; and while, naturally, all of the inhabitants of the localities concerned are opposed to the abandonment of any part of the service, nevertheless neither from the standpoint of personal inconvenience, nor from the standpoint of revenue accruing to the railway company, can any effective opposition be urged by comparison with other sections of the country similarly circumstanced.

Assuming that it is right for the Board to acquiesce in applications of this kind when demanded, because of economical considerations, there appears to be no reason here disclosed why the recommendation sought for should not be

made in the present case.

During the hearing, it was urged that certain financial assistance had been given to the road in question when the same was under construction by the Lake Simcoe Junction Railway Company. Evidence on the part of witnesses for the different townships was so indefinite that no undertaking to continue operation by the railway company, or its successors, could be inferred. A copy of an agreement between the last named company and the township of Whitchurch, in the form of a bond from the former to the latter, has been filed by counsel for the last named township. The only provision contained in such bond bearing upon the matter at issue is as follows:-

and further that the said company will, as soon as the said railway is completed, establish a station within two miles of the present site of the Ballantrae postoffice.

Apart altogether from the question of the binding force of this obligation upon the Canadian National Railway Company, it cannot be affirmed that abandonment of the service such as is here proposed, is a breach of this bond, and from that standpoint nothing seems to stand in the way of the present application.

Having regard to all the circumstances involved, both as regards the railway company and the localities, the convenience of all parties interested, I am of opinion that the operation of that portion of the Sutton Subdivision of the applicants' railway between Stouffville Junction and Mount Albert, where it crosses the Bala Subdivision, a distance of 15.29 miles, has become unnecessary and inexpedient by reason of the economical considerations involved, and that its abandonment be recommended to the Governor in Council.

APPLICATION TOWNSHIP OF EAST YORK, et al, RE CONTRIBUTION FROM RAILWAY GRADE CROSSING FUND TO COST OF SUBWAY-CANADIAN PACIFIC RAILWAY

ludgment of Chief Commissioner, dated December 19, 1927, concurred in by Assistant Chief Commissioner.

By Order of the Board No. 38443, dated November 22, 1926, authority was iven to the township of East York and the corporation of the town of Leaside o construct and maintain a highway, known as the East York-Leaside Viaduct, rossing the Canadian National Railways by the East York-Leaside bridge, 62863-27

and also the Canadian Pacific Railway by means of a subway under its tracks, as shown on the plans thereof filed with the Board. Leave was reserved under said order for the applicants to move for an order directing the two railway companies above named to contribute to the cost of the said viaduct, and also to move that payment of part of such cost be ordered from the Railway Grade Crossing Fund.

Pursuant to such leave, application was made to the Board for contributions from the railways, as well as from the Railway Grade Crossing Fund, and the matter was listed for hearing at Toronto on November 14, 1927, and upon being called applicants stated that, with the permission of the Board, they would proceed only under the application for a contribution from the

Railway Grade Crossing Fund.

Proof was directed by applicants to establish that in respect of the crossing in question at rail level, the same was in existence as part of a public highway prior to the construction of said viaduct, and prior to April 1, 1909. plans and conveyances were submitted to the Board to establish this contention, and such evidence was supplemented by oral testimony on the part of municipal officials and others in a position to speak of the conditions of such crossing prior

to the date last above mentioned.

The application for contribution by the railways was the subject of discussion between counsel representing the corporations and the applicants with the result that this feature of the application to the Board was withdrawn. No one appeared to contravent or criticize the testimony submitted on behalf of the application for a contribution from the Railway Grade Crossing Fund. appeared from the testimony and by the plans submitted, that the line of the Ontario and Quebec Railway Company, whose rights are now merged in the Canadian Pacific Railway Company, ran over lots 12 and 13 in the third concession east from Toronto bay, in the township of York, through property previously owned by William Lea and John Lea, and it is upon the dividing line between such lots that the crossing in question is located. The evidence discloses that a farm lane had for years existed, crossing over the point in quesrion as a part of the line of travel from Don Mills road to Bayview avenue It was called Lea's lane, and was of varying width, and at the hearing before the Board the burden of proving that such lane was a public highway was assumed by the applicants.

In support of such contention, there was put in evidence an agreemen bearing date November 15, 1892, to which the owners of the land through which the lane passed were parties, and to which the Ontario and Quebec Railway

Company aforesaid was also a party.

The Substance of the agreement as far as respects the present application was, that the last named company covenanted and agreed with the owners of th property that it would, prior to the 31st day of December, 1893, establis a station (to be named and known as Leaside Junction) within certain limit plainly indicated on a sketch attached to the agreement, and a little to the wes of the crossing in question where the line of railway ran through the lands owne by William Lea. The agreement contained certain other provisions agreed t by the railway company, not necessary to be detailed here, in favour of th inhabitants of the locality immediately interested.

Following such covenants on the part of the railway company, the the owners of the land over which such line passed bound themselves by such agree

ment,-

to permit and allow the general public to use the said level crossing over the railway at the point marked "A" on the said sketch and also the lane along the north side of the said lot No. 12, as at present laid out as well as any extension thereof which may be made by the said tenant or trustees or any person or persons whomsoever claiming title by, through or under them or any of them eith

north or south of the right of way of the said railway in any direction through the property of the said tenant or trustees or any other property controlled by him or them as such trustees for the purposes or a roadway to and from the said proposed station and grounds adjacent thereof so that the public shall have the free and uninterrupted right at all times hereafter to travel upon the said lane with or without horses, carriages or other vehicles to and from the said proposed stations and grounds adjacent thereto. Provided always that the said tenant and trustees shall not be bound under this agreement to give such accesss to the general public over that portion of the said lane above referred to lying on the southerly side of the blue line shown on said sketch and marked with the letter "B" until after the expiration of three years from the date hereof.

Reference to the plans filed and put in as evidence shows that "the said level crossing over the railway at the point marked 'A' on the said sketch" is the crossing which applicants contend is a public crossing within the meaning of the Railway Act.

Further conveyances were submitted amplifying the situation above described, but the agreement above mentioned is the foundation for applicants' claim that the lane in question was dedicated to the public. From the terms of such agreement it cannot be questioned that the owners of the land at the time agreed and covenanted in the most formal manner possible, to dedicate, and did thereby dedicate, to the public the lane in question.

In further proof, testimony was submitted showing a large volume of travel over such lane and crossing immediately subsequent to such dedication and continuously thereafter. It was further shown that the railway station known as Leaside Junction, was erected according to promise by the railway company, that the lane and crossing were used by the general public going to and from said station, that the town of Leaside expended from \$800 to \$1,000 annually on the lane or road, including the crossing, as upon any other road in the municipality; that Leaside, although not a large town, has industrial plants employing from 1,500 to 3,000 people, and that hundreds of them use the road in question going to and returning from work day by day. That the use of the road by automobiles is open and continuous. That the public money was expended on said lane, including the crossing, the same as on all other streets in Leaside, and to give egress and ingress from and to the station for freight and express and traffic of all kinds, and that no objection had ever been heard in regard to anybody using the road who desired to do so, but that it was used with the full acquiescence of the previous owners.

While from the nature of the application no one has appeared before the Board to adduce proof contradicting the statements made by witnesses, or to contest the inference drawn from the documents submitted, yet it is apparent, I think, that the documentary evidence and verbal testimony before the Board satisfactorily establishes the fact that the crossing in question was a public crossing and in existence prior to the 1st day of April, 1909, as part of a public highway, and consequently that applicants are entitled to a contribution from the Railway Grade Crossing Fund according to its terms.

Under existing statutory provisions, the Board is justified in directing contribution to an amount not exceeding 40 per cent of the cost of actual construction in providing for the protection, safety and convenience of the public at such crossing, and not exceeding the sum of \$25,000.

The viaduct in question is a very expensive one and, having regard to the statutory limitation, no close calculation is necessary to estimate the amount which the Board is justified in allotting. Features of special difficulty presented themselves in the work, the cost of the whole scheme including the subway

being placed at \$975,000, but as far as this feature of the application is concerned the following testimony seems conclusive:-

The Assistant Chief Commissioner: What I want to get at is this; If we see fit to make a grant, what would be the basis for it?—A. I think I can answer your question completely in this way, Mr. Vice-Chairman. The cost I have given you except for the last four items, takes care of the subway only, between the north and south part of it. That is, \$148,525. But I think it would be proper to at least include the grade from the north down to the subway as part of the subway cost. That is always done in subway work.

O. All I meant was that if a percentage were granted, the amount over the \$148,000 would not help us .- A. The part to the north would cost \$148,000.

Assuming the sum of \$148,000 to be the amount which can be considered by the Board as the cost of the actual construction of the work contemplated by the Act, it is apparent that legal sanction exists for the payment of \$25,000 to the applicants as a contribution from the Railway Grade Crossing Fund appropriation, and I am of opinion that an order should issue to that effect.

APPLICATION OF BALFOUR, GUTHRIE WAREHOUSE COMPANY, LIMITED, TO ABSORPTION OF UNLOADING CHARGES—CANADIAN PACIFIC AND CANADIAN NATIONAL RAILWAYS

Judgment of Assistant Chief Commissioner, dated December 1, 1927, concurred in by Messrs. Commissioners Lawrence and Oliver

Complaint was made by the Balfour, Guthrie Warehouse Company, Limited, of Vancouver, B.C., in the following terms:-

We should be obliged if you would inform us if the interpretation of their tariff by the Canadian Pacific and Canadian National Railways is correct in the following instance:—

As a wharf company, we have been handling shipments of flour to the Orient for some As a wharf company, we have been failuring simplicities of hour to the Orient for some years and until September, 1925, had no trouble in collecting unloading charges from the railways. In August, 1925, we understand that the Trans Pacific Westbound Conference, which is composed of the principal steamship lines running to the Orient made a ruling that they would only absorb handling charges (from dock to ship) at certain wharves and for some reason the wharf we operate was omitted.

We continued to handle flour by these steamers and have been trying to get our wharf reinstated as a terminal wharf, so far without success; and have been unable to collect handling charges on a large tonnage of flour. The railways also have declined to pay full

unloading charges, and it is this point we are anxious to clear up.

According to clause B, subsection D, section 3 of Canadian Pacific Railway Company's Tariff No. W 5297, the railway company will absorb unloading charges of 40 cents per 2,000 pounds on grain and grain products. This tariff was changed; but by your Order No. 36108, dated February 19, 1925, the change was suspended until further notice; and in Supplement No. 33 to Canadian Pacific Railway Tariff No. W 5297, clause C, subsection D, it states the railway company will absorb unloading charges at Vancouver not in excess of 40 cents per 2,000 pounds.

Upon presentation of our accounts for unloading cars, the Canadian Pacific Railway declined to pay 40 cents per 2,000 pounds, as per tariff, and would only pay 20 cents per 2,000 pounds, stating that as the steamship company had refused to pay the wharf charges they were supposed to absorb, the railway company would only pay 50 per cent of their

absorption.

We enclose copy of letter from J. G. McNab, Foreign Freight Agent, Canadiar Pacific Railway, to the Canada Grain Export Company, the shippers of most of the flow we have handled, which gives the railway company's views; and it is on this point tha we are asking for your ruling:

Is the charge of 40 cents per 2.000 pounds correct, or can the railway companies decide

for themselves what amount they will pay?

Informal correspondence and discussion took place between the Board's officers and the railways in an endeavour to arrive at a settlement of the matter. Thereafter, the railways were written to by the Board as follows:-

I beg to enclose you herewith, under direction of the Board, a copy of a letter dated September 28, 1926, from the Balfour-Guthrie Warehouse Company, Limited, Vancouver, which has reference to the question of absorption of unloading charges at Vancouver under which has reference to the question of absorption of unloading charges at vancouver under the terms of your companies' tariffs, namely, Canadian Pacific Railway C.R.C. No. W-2788, and C.R.C. No. W-2755; Canadian National Railways C.R.C. No. W-432 and C.R.C. No. W-434. This matter has been the subject of informal correspondence and discussion between the Board's Chief Traffic Officer and Messrs. Kirkpatrick and Foreman.

Reference is made by the Balfour-Guthrie Warehouse Company to a change in the practice of the railway companies in September, 1925. So far as the terms of your companies' tariffs are concerned, there was no change made therein on or about the date in question; they were the same then, since and for some time previously.

The Board's understanding of the matter is as follows: Previous to 1925, the steamship lines were absorbing the handling charges of the various dock companies and the railway companies were absorbing the unloading charges made by the dock companies. The actual cost of unloading was not ascertained and made in each case, but through agreement between the dock companies and the railway companies the latter accepted

bills covering a uniform unloading charge of 40 cents per ton, on grain products.

Some time in 1925, the steamship lines refused to continue the absorption of handling charges except in the case of declared home docks. The Balfour-Guthrie Warchouse Company's dock is not included as a home dock. The service performed by the Balfour-Guthric Company is in no way changed, but because their total charge has been altered—apparently a forced condition—the railway companies, without any change whatever in their tariff provisions, are now refusing to absorb in excess of 20 cents per ton on traffic handled direct from cars to ship's sling over the Balfour-Guthrie Warehouse Company's dock, which is 50 per cent of the amount that was formerly absorbed under the terms of exactly the same tariff provisions. The situation is understood to be as follows:

In the case of so-called home docks, the railway companies are absorbing unloading charge of 40 cents per ton in all cases whether (1) the cargo is handled from car to place of rest on wharf and subsequently from said place of rest to ship's sling, or (2) handled

direct from cars to ship's side without being deposited at place of rest on wharf.

In the case of the Balfour-Guthrie Warchouse Company's dock, the railway companies are absorbing unloading charge of 40 cents per ton where the traffic is handled from car to place of rest on wharf and subsequently from said place of rest to ship's sling; but absorbing only 20 cents per ton when the traffic is handled direct from cars to ship's side without being deposited at place of rest on wharf.

As stated, the absorption of 40 cents per ton has been a flat allowance heretofore. In the case of the Balfour-Guthrie Warehouse Company, the railway companies' position now seems to be that that absorption must be contingent upon the fulfillment of certain

conditions by the dock company, namely, the assessment of a separate handling charge.

I am instructed to advise you that in the view of the Board no such distinction or qualification with respect to the absorption of unloading charge is justified, nor is it sanctioned by tariff, and the difference in treatment is considered as constituting an unjust discrimination on the part of the railway companies. I am further directed to ask whether, in view of the Board's views as expressed herein, instructions will be issued placing the Balfour-Guthrie Warehouse Company's dock as from September, 1925, in the same position as other dock companies with respect to the matter of absorption of unloading charges?

I am further directed by the Board to ask you for your company's reply within one week from the date hereof.

Further representations were made by the railways, who asked that if the views they set out were not accepted by the Board they should have an opportunity of presenting their position before the Board in formal hearing. In view of the provisions of section 19, subsection 2, of the Railway Act, the matter was set down for hearing.

The railways contended, in substance, that the tariff concerned had to be construed in the light of practices and agreements existing. The question of the practice of steamship companies in regard to the arrangements existing loes not appear to be one which it is necessary to go into in the present appli-

eation. The provisions of the tariffs must speak for themselves.

Further, the contention of the railways that the applicant was not performng the entire work necessary in order to obtain the absorption of 40 cents, therefore, the railways were justified in limiting the absorption to 20 cents per ton of 2,000 pounds, is not a tenable position, unless the tariff provides for this.

The sum involved, represented by the difference between the absorption of 20 cents per ton of 2,000 pounds, and the 40 cents which it is contended should be absorbed, amounts, according to an exhibit filed by counsel for the applicants, to the following figures:—

The matter is entirely one of the legal rate provided for in the tariff. The evidence submitted has been considered, and the tariff has been subjected to further analysis and consideration. The only conclusion at which I am able to arrive is that the legal rate was 40 cents; and I am, therefore, of opinion that a declaratory order should issue accordingly.

APPLICATION QUEEN'S CENTRAL AGRICULTURAL SOCIETY NO 70, N.B re SWITCHING CHARGES, CANADIAN PACIFIC RAILWAY

Judgment of Chief Commissioner, dated November 19, 1927, concurred in by Assistant Chief Commissioner.

The Central Agricultural Society No. 70, of Queens county, N.B., has petitioned the Board that the switching charge imposed by the Canadian Pacific Railway Company for transferring export freight from East Saint John to West Saint John, a distance of approximately $5\frac{1}{2}$ miles, be reduced from three cents per 100 pounds to one cent per 100 pounds; and further complain that the rate of $7\frac{1}{2}$ cents per 100 pounds imposed upon the same movement of hay for feeding cattle, shipped from West Saint John, is excessive.

The first ground of such complaint is joined in by the Prince Edward Island Potato Growers' Association, and is also joined in by the Bathurst Company, Limited, and representatives of all these bodies, as well as of the railways,

appeared before the Board at a hearing held in Saint John, N.B.

Freight destined for export through West Saint John, originating in Prince Edward Island and at eastern points on the Canadian National Railways, is delivered by such railway company to the Canadian Pacific Railway Company at East Saint John and carried by the latter company to West Saint John, where it is handed over to the various steamship lines.

The case presented on behalf of the two latter petitioners concerns the movement of potatoes from Prince Edward Island, and forest products from the plant of the Bathurst Company, Limited, at Bathurst, N.B. Comparison was made between the switching charge of three cents per 100 pounds here complained of, and the switching charge for like service at Halifax, and this phase of the subject is dealt with later. It developed that the potato consignments from Prince Edward Island were handled by Mr. Clark, who explained that when he started buying potatoes he purchased them on terms, f.o.b. West Saint John, for at that time there were no proper facilities at East Saint John for handling traffic of that nature. But at present there is no difficulty in handling potatoes through east side warehouses under the control of the Canadian National Railways, which would avoid transference to the Canadian Pacific Railway Company and the switching charge complained of. But as he bought f.o.b. West Saint John, he was in a position to take the same to that point if shipments there were more expeditious, or if any other good reason presented itself, but if unloaded on the east side there was that much more in it for him, for the switching charge was not exacted. This feature of the discussion concerned the propriety of imposing the charge against the Association when the cars were unloaded at the East Saint John warehouse, but Mr. Clark contended that as he bought them f.o.b. West Saint John it was his privilege to take them

wherever he pleased after purchasing.

Mr. Dewar, who appeared for the Potato Growers' Association, complained of the charge, especially when the goods are unloaded at East Saint John. That, however, seems to be a matter of arrangement between consignor and consignee,

with which the Board is not called upon to deal.

The Bathurst Company, Limited, contended that the Canadian National Railways should absorb the switching charges on pulp and paper from East to West Saint John, and asserted that there is discrimination against the Maritime Provinces by the Canadian National Railways in refusing to absorb the switching and handling charges on export and import traffic at Saint John, N.B., in face of the fact that such switching and handling charges on export and import traffic originating at or destined to stations Quebec and west, are not assessed against the shipper. As a result of this presentation, the question is submitted in two different aspects—first, from the standpoint of the discrimination so alleged, and secondly, the alleged excessiveness of the charge, which the applicants support by a comparison with the charge for the same service at Halifax.

It was alleged by Mr. Weldon of the Canadian National Railways that the export rate on the Bathurst Company's products from Bathurst to West Saint John, is in proper relationship with that from Bathurst to Halifax and Montreal, and with rates west of Montreal or Quebec to the latter ports, and he said that in naming the rates on pulp and paper they had in mind the additional charge necessary for switching, and endeavoured to line up the rates with that in view. He brought to the attention of the Board the fact that the Canadian National Railways are compelled to pay 3 cents per 100 pounds to the Canadian Pacific Railway Company for unloading traffic from the cars to the sheds at West Saint John, and if compelled to absorb the switching charge it would mean an outlay of 61 cents out of a 141 and 151 cent rate on pulp and paper respectively, from Bathurst to West Saint John. He did not deny that the charge is pretty steep, especially for unloading traffic from the car to the shed, but his company is compelled to pay it, and it could not consider any reduction, pointing out that the Canadian Pacific Railway Company receives for its $5\frac{1}{2}$ mile haul and unloading, $6\frac{1}{2}$ cents, against $11\frac{1}{2}$ or $10\frac{1}{2}$ cents to the Canadian National Railways for the 214 mile haul from Bathurst to East Saint John.

As regards the question of discrimination, based upon an absorption of handling and switching charges west of Quebec, he pointed out that competition compels such action on the part of the Canadian National Railways, that where such competition exists it is allowed to meet the same, and must meet it, to hold the traffic. The tariff in the latter locality is built up on the assumption that the whole territory west of Quebec is a competitive area, and no distinction can be made between manufacturers located at strictly competitive points and one who would be at some distance from that point. It does not seem that the complainants have established their case from the standpoint of discrimination.

In regard to the comparison between switching costs at Halifax and Saint John, it was shown that the switching movement at the latter city is a particuarly expensive one involving a haul up a 1.7 per cent grade, the heaviest in the New Brunswick district, necessitating a limit load per engine of 499 tons. The novement is also over a bridge which cost \$878,000, and there are movements

nvolving three or four terminals in the operation.

Without a parity of circumstances being shown, it is inconclusive to rely upon a variance in rates in different localities in proof of unjust or unreasonable reatment, and this holds with reference to interswitching as well as in regard

to other movements. At Halifax, the Canadian National Railways have two ocean shipping terminals, one at North street, about a couple of hundred yards from the interchange point between the Canadian National Railways and the Dominion Atlantic Railway, and the second on the other side of the city, beyond

the four-mile switching limit, and known as the ocean terminal.

The Board's Order No. 35457 of August, 1924, provides that the charge by the Canadian National Railways for switching ex-water, or for furtherance by water, to and from the Dominion Atlantic Railway, between Halifax yard and the North street deep water terminal, should be one cent per 100 pounds, or not less than \$3 per car on 7th, 8th and 10th class commodities, and \$5 per car on all other traffic, and that the Dominion Atlantic Railway Company should absorb half of such charge.

In the opinion of the Canadian National Railways it became necessary to put in the same rate to its ocean terminal, a distance of over four miles, as that which prevailed in regard to interswitching and handling of its freight between the Dominion Atlantic Roilway and the deep water terminal at North street, for the reason that otherwise none of the freight so plentifully delivered by the Dominion Atlantic Railway to the Canadian National Railways would find its way to the ocean terminal, but all would be delivered at the North street terminal at the very small switching cost there prevailing. The Board gave no directions as to the amount chargeable for interswitching at the ocean terminal, beyond the four-mile interswitching limit, but provided that, if an equality was made by the railway between the switching charge as regards the two terminals, and upon publication by the Canadian National Railways of the same switching charge throughout as prevails in regard to the nearer terminal, the Dominion Atlantic Railway Company should make the same absorption as previously referred to. But it did not direct the Canadian National Railways to put in the one cent charge.

It is therefore apparent that no real comparison can be instituted between the three cent charge in Saint John and the one cent charge to the ocean terminal at Halifax. If any comparison prevails, it is between the charge as regards the North street deep water terminal at Halifax, which is 200 yards distant from the interswitching point, and the West Saint John situation. Regarding it, however, from the latter standpoint, there does not appear to be ground for alleging discrimination, in view of the very dissimilar circumstances attaching to the

several movements.

From what is known as the Island yard at East Saint John, where most of the interchanging takes place, there is a distance of 6.99 miles to West Saint John, while from Mill street station the distance is 5.60 miles. A record put in for the year 1925 shows that there were interchanged at Mill street outward, 4.540 cars, and inward, 5.738 cars; and at the Island yard the interchange outward was 13,900 cars, and inward 10.635 cars. It is thus seen that most of the freight is hauled a distance of almost seven miles.

Special conditions, which need not be further elaborated here, such as the difficulty of the up grade, the numerous terminal movements, and the difficulties attending upon deliveries at ocean steamers, seem to me to justify the three cent per 100 pounds charge, for it will be noted that the local switching rate established in 1919, for switching within a single terminal, has a minimum of $4\frac{1}{2}$ cents

on 8th class traffic, to which potatoes belong.

I think this portion of the petition must be dismissed.

There remains, however, the further question of the charge of $7\frac{1}{2}$ cents per 100 pounds imposed upon a like movement of hay for feeding cattle, exported at West Saint John. This complaint is also pressed upon our attention by the Central Agricultural Society of Queens county, and I think it has reason for so doing. In support of the $7\frac{1}{2}$ cent rate, a distinction was drawn by the railway

company between hay for feeding purposes and hay for export. Nevertheless, I think it would not exceed the 10th class switching rate of 4½ cents established in 1919. While it is true that this rate was published for a single terminal, I am, however, of opinion that such rate, even with the number of terminals

involved, cannot be said to be out of the way.

It was contended by the Agricultural Society that the movement of traffic from the Saint John River district to West Saint John could be simplified by making the interchange at Fairville, thereby avoiding the haul into Saint John and a return haul to Fairville and thence to West Saint John. It will be remembered that the traffic involved originates on the line of the Canadian National Railways along the Saint John river, which latter company has running rights from Westfield to Saint John over the Canadian Pacific Railway Company's The agreement between the two companies when such rights were given cannot be wholly ignored. It was therein specifically provided that their interchange of such traffic be made at Saint John. Physical difficulties now present themselves to interchanging the same at Fairville, arising from the limitations and frequently congested conditions of the yard. It may be that increasing business will compel a re-arrangement in this particular, but the facts now before the Board would not justify an order compelling the change necessary to meet the situation complained of.

It is common knowledge that within a few months the harbour of Saint John has become nationalized and is now under the control of a commission which, undoubtedly, will take cognizance of all shipping charges and be in a position to make representations concerning them, with a full knowledge of everything involved. If any of the questions here dealt with should again be brought to the attention of the Board, further consideration will be given them.

The application to reduce the interswitching charge from East Saint John

to West Saint John, on export traffic, must be dismissed.

The switching charge of 7½ cents per 100 pounds for the above described movement of hay for feeding cattle, shipped from West Saint John, should be reduced to $4\frac{1}{2}$ cents per 100 pounds.

APPLICATION DOMINION SHUTTLE COMPANY, LIMITED TO FREIGHT RATES ON CROSS ARMS FROM WEST TO EASTERN POINTS

Judgment of Chief Commissioner, dated November 17, 1927, concurred in by Deputy Chief Commissioner and Mr. Commissioner Oliver

The Dominion Shuttle Company, Limited, has submitted a complaint relative to freight charges on shipments of crossarms from British Columbia to eastern points. It is set out that as crossarms are made from British Columbia fir, the eastern manufacturer has to bring his raw material from the latter province, for which a lumber rate prevails, and when shipping the manufactured product from his factory he pays freight upon same according to class rates, as more fully explained below.

Contrasted with this, and as a concession to western shippers and manufacturers, crossarms, both plain and creosoted, are now shipped eastward under a commodity rate which is the same as the lumber rate above referred to. It is consequently put forward by the complainant that, the effect of the above concession is to preclude that company from competing with the western manufacturer in supplying the eastern Canadian market, as the western manufacturer ships manufactured crossarms under a commodity rate and complainant is compelled to pay a class rate when shipping the same articles from Lachute, at which point its mills are established. It is suggested in the complaint that all crossarms, both treated and plain, be placed under a class rate.

As the case developed under written submissions, it was asserted that very little of such traffic moved from the west under the conditions detailed, but it was shown that from 30 to 40 cars move from the west to the east yearly over the Canadian Pacific Railway Company's line, and with reference to the movement Mr. Flintoft stated as follows:-

However, the present rate basis from British Columbia is a competitive one. the Board should order the removal of crossarms from the list of articles taking lumber rates from British Columbia points to Eastern Canada, the United States transcontinental tariffs from Seattle and other shipping points on the Pacific coast in the United States to Eastern Canada would still remain in effect. This would place the manufacturers in British Columbia at a disadvantage and would not be of any particular benefit to the complainants.

And in a letter to the Board in general answer to the complaint, Mr. Flin-

toft submitted that,-

There can be no question as to the reasonableness of the rates from Lachute, which are on the basis fixed by the Board in its various decisions, commencing with the Eastern Rates Case. This being the case, if there is unjust discrimination, the only way in which it can properly be removed is by the raising of the rates from British Columbia points. However, as pointed out in my previous letter, these latter rates are on a competitive basis and cannot be disturbed without driving the traffic into American channels.

A further answer filed by the British Columbia Lumber and Shingle Manufacturers. Limited, sets out that the basis of rate making on lumber and other forest products of the west, has been the result of numerous conferences over a long period of time, between the railway companies and the Lumber Associations, and the classifications, generally speaking, with one or two exceptions, have been concurred in both by the Canadian and the American railways which move forest products from northwest producing districts; that such classifications or groupings are not only national but international in scope, and, if the application of the Dominion Shuttle Company be concurred in, it would completely upset the whole basis of rate making on forest products from Pacific Coast points; and that from an economic standpoint the principle of manufacturing the product at the source of supply effects a considerable saving to all interested. They challenged the statement that crossarms are a further manufactured product, alleging that they require no more expensive process than is the case with many other clear lumber products, the rates on which are not

Upon the issue as thus joined, the matter was given a hearing, first at Montreal on January 7, 1926, before the Chief Commissioner, the Deputy Chief Commissioner and Mr. Commissioner Boyce. Mr. Wynne, who appeared for the complainant, amplified the complaint by stating that not only do the crossarms come from the west under a commodity rate, but the western manufacturer is allowed to ship them in mixed carloads with other lumber, and the benefit of the commodity rate is preserved to him under such conditions, whereas the eastern manufacturer is not given that advantage. He claimed that the commodity rate eastward was originally a concession made to the western manufacturer to encourage an infant industry, and now the tariff should revert to the basis from which that concession was made. It was emphasized that crossarms are nearly all made from British Columbia fir, that the western manufacturer because he can send mixed carloads under commodity rates, can ship them in small quantities and put them upon the eastern market at a lower rate than complainant can furnish them in practically close proximity to its factory, as it has to pay class rates on its output, in addition to the expense of bringing the raw material from British Columbia.

In answer to the Deputy Chief Commissioner, Mr. Wynne said that the commodity rate under which the western manufacturer ships his product eastward, is 90 cents per 100 pounds, whereas the class rate which complainant has

to pay is \$1.48\frac{1}{2} per 100 pounds.

The commodity rate eastward applies from British Columbia to destinations Winnipeg and east, and it has been in effect from the year 1906, since which time several tentative suggestions have been made to the railways con-

cerning this situation, but without avail.

Mr. Flintoft in reply emphasized the competitive nature of the rate as against the American railways, and after hearing thus far, the matter was adjourned under the Board's session in Vancouver, whereupon it was resumed at the latter city on July 14, 1926, before the Chief Commissioner, the Deputy Chief Commissioner and Mr. Commissioner Oliver.

Mr. Giles, who appeared thereat for the Dominion Shuttle Company, continued the criticism of the commodity rate, claiming that the British Columbia manufacturers should be subject to the same tariff as eastern manufacturers as regards crossarms, and that the latter should be given the proper classification to which they rightly belong. He stated that the ordinary price of crossarm lumber in Vancouver, best grade, is about \$32 per thousand, board measurement, and when manufactured into crossarms they are sold at \$50 per thousand, making a difference of \$18, or 25 per cent, higher than the ordinary price of lumber which carries a commodity rate. He contended that crossarms are a part of pole line equipment and should be put on that rate basis, which is much higher than the commodity rate accorded to crossarms, emphasizing the impropriety of the present commodity rate and claiming it to be injustice that crossarms manufactured in British Columbia should move under such rate, while the same article manufactured in the east is compelled to pay the class rate.

He pointed out that the rates on pole line equipment, l.c.l., Vancouver to Lachute, which is the seat of the complainant's factory for crossarms, is \$2.811/2, 4th class, and in carloads \$1.48\frac{1}{2}, 10th class, and yet the British Columbia arm manufacturers are given the privilege of shipping manufactured crossarms at the 90 cent commodity rate, as against the class rate from the east to Vancouver of \$1.32; and top pins or insulating pins from the Atlantic to the Pacific carry a classification on which \$1.46 per carload is payable, and \$2.81; l.c.l. lots; that the British Columbia shipper is privileged to send mixed carloads of crossarms and lumber to eastern points, and then reship at l.c.l. rates, giving the instance of a mixed carload to Montreal, at which point crossarms could be taken out

and reshipped on the following rates:-

to Montreal under a commodity rate of 90 cents;

And from Montreal, l.c.l. to Lachute, for instance, 27½ cents, 4th class, mak-

ing a total of \$1.17 $\frac{1}{2}$;

whereas l.c.l., 4th class, from Vancouver to Montreal has an established rate of \$2.811, which however he has no use for, as under the present commodity rate he can reduce the cost to \$1.17\frac{1}{2} as above illustrated.

Mr. Flintoft explained that the reason for putting crossarms in the latter list was to put the British Columbia manufacturer on a relative equality with American competition, and showed that the same rate prevails from Oregon to

Montreal, and Vancouver to Montreal, namely 90 cents.

The question which is before the Board for decision is, whether under all the circumstances detailed the commodity rate of 90 cents should be considered unjust and discriminatory in view of the conditions above outlined, and of the fact that the higher class rate is imposed upon the same article shipped from eastern factories. The whole defence of the commodity rate rests upon the fact that the 90 cent rate from the west must be considered in the light of competition with the American railways which, as already stated, quote a 90 sent rate. If the complaint of the Dominion Shuttle Company be acceded to, t seems to me that it could have no other effect than to transfer the carriage of this commodity from Canadian railways to the lines running through Amerian territory, and this, I think, the Dominion Shuttle Company itself would leprecate.

If the situation presented itself without this disturbing feature, equable dealing between the eastern and the western manufacturers might influence the Board to acquiesce in the remedy here sought. But it is clear that such remedy would not in any degree relieve the situation complained of, inasmuch as the crossarms would continue to move into eastern territory at the rate complained of, but carried by American railways. The situation presents itself as an instance in which competitive rates must be allowed if the traffic is to be conserved to the Canadian carrier. Compliance with the submissions embodied in complainant's presentation would not, in the view of the Board, in any way change the relative situation between the eastern and the western crossarm manufacturers but would only result in diverting the traffic in the way above indicated.

In its submission the complainant company stated as follows:-

The members of the Commission will note that we do not apply for any reduction in rates; our appeal is that the fundamental principle of rating be upheld, which we understand to be, that where raw material has been subject to a manufacturing process it becomes enhanced in value and is necessarily and justly subject to a higher freight rate than would apply on the raw material, and that it should no longer be classified as subject to the commodity rate.

For the reasons above indicated, I think this application must be dismissed.

APPLICATION OF GEORGE BRASSARD—CANADIAN PACIFIC RAILWAY

Judgment of Chief Commissioner, dated November 18, 1927, concurred in by Deputy Chief Commissioner and Mr. Commissioner Oliver.

By Order of the Board No. 27008 made the 12th day of February, 1918, permission was given to the Canadian Pacific Railway Company to divert the road allowance at the eastern boundary of the northeast quarter of section 5, township 22, range 7, west 4th meridian, in the province of Alberta, and to construct at grade the said road diversion across its tracks at Mileage 44·4. Bassano Subdivision; and to close within the limits of its right of way the diverted portion of the said road allowance, as shown on the plan and profile on file with the Board.

This application was assented to by the Department of Public Works of the Province of Alberta, and such diversion was accordingly carried out.

The applicant, George Brassard, is now, and at the time the order referred to was made, the owner of certain property adjoining such road allowance, and his farm buildings were then situate at a point north of where the road allowance so diverted joined the road as originally laid out, so that such diversion

had no effect upon his access to the road in question.

In August, 1925. Mr. Brassard made application to the Board for an outlet to the main road as diverted, from the place where his farm buildings are now located. It appears that between the time of the diversion and the date of such application, Mr. Brassard moved to the south of where he then lived and much nearer the railway track, and now asks that a road be furnished to give him access to the highway, crossing the lands of an adjoining proprietor, Mr. Hovey, who is now living in the United States and with whom the applicant has had some negotiation for that purpose. It is no part of Mr. Brassard's claim that the diversion of the road has compelled the move on his part, but that it has been occasioned by the present lack of water at the place where his buildings were originally located, thereby compelling him to move to the vicinity of a slough where he has been fortunate enough to find water in sufficent quantity. If this move were necessitated by the diversion of the road, which was done at the request of the railway company as above described, then I think there would be some basis for applicant's claim, but such is not the case, and it therefore cannot be sustained upon that ground.

From the record it does not appear that any complaint was made by him at the time of the diversion, but apparently it was satisfactory to him, and as above expressed, the present situation which he now complains of arises because of his recent rearrangement of farm buildings.

It is undoubtedly the fact that the diversion was made in compliance with the law, and that the responsible department of the province of Alberta was

a consenting party to such change.

The matter was listed for hearing at Calgary and due notice was sent to Mr. Brassard, as well as to the railway company, but at the hearing no one appeared on behalf of the applicant. His lack of representation at the hearing made it necessary for the members of the Board of their own motion to more carefully scrutinize all the circumstances connected with the alteration. Mr. Walker, K.C., appeared for the Canadian Pacific Railway Company, but it cannot be said that anything further was added to the information than obtainable from the files of the Board.

From the plans filed, it appears that Mr. Brassard's dwelling house at the time the order was made was close to the highway and north of the point where the diversion joins such highway as originally laid out. Now, however, inasmuch as he has changed his dwelling place considerably to the south, for the purpose before indicated, he finds himself at a distance from the diverted highway, and the fact is that between the location of his present dwelling and such diverted road another property intervenes. But it is also the fact that if the road had followed the original road allowance, he would still have easy access thereto, and it is to connect the road allowance as originally laid out with the road as diverted that this application is made.

I cannot see upon what principle the Board could move in granting this application. It is of course the circumstance of the road allowance being diverted, that gives colour to the claim. But at the time no disability or inconvenience attached to the location of Mr. Brassard's farm buildings from the fact of the road being diverted. For reasons, not by any means attributable to the railway company, he has been compelled to move his building. far as I know, the Board has never been asked to grant relief for that reason, and I think the application must be dismissed.

COMPLAINT OF OFFICE SPECIALTY MANUFACTURING COMPANY, LIMITED, re OBSERVANCE BY CARRIERS OF DIRECTIONS GIVEN ON BILLS OF LADING BY SHIPPERS AS TO ROUTING OF TRAFFIC

Ruling of Board dated December 30, 1927

This question originated with communications from the Office Specialty Manufacturing Company, Limited, Newmarket, Ont., who complained that the Canadian National Railways had ignored routing instructions endorsed by them on shipping bills and bills of lading, said routing instructions being in accordance with provisions as to routing published in applicable tariffs. The complainants desired the Board to issue direction to the carriers to honour their specified routing in every case. They stated that all they were asking was a confirmation of the right which they had enjoyed for many years, it being set out that it was only within a comparatively recent period that the ailway company had ignored, and were continuing to ignore, their routing

After consideration, the Office Specialty Manufacturing Company were dvised that the specific question raised had not been brought to the Board's ttention before as a subject for formal adjudication; that the matter would ppear to be of general importance and had not been sufficiently developed to

place it in shape for a ruling by the Board; and that the railway companies generally would have the right to be heard before final disposition by the Board. It was further pointed out that, if the complainant company desired to have the matter submitted for hearing, they should make application, setting out in what way they were being detrimentally affected by the action complained of. Subsequently the complainants filed formal complaint which was served upon the Canadian National Railways and the Canadian Pacific Railway Company.

The Canadian National Railways, in their reply, raised a number of issues, amongst others, that shippers were not damaged in the sense that there was any difference in rate by reason of failure to carry out routing instructions, and that traffic which originates at local stations on their lines and can be handled as cheaply and expeditiously, by the line originating the tariffic, should pay that line the maximum revenue which can be earned through the employment of the

maximum line haul of the line originating the business.

The power of the Board to deal with the matter complained of was also

raised in the reply from the Canadian National Railways.

In the reply of the Canadian Pacific Railway Company it was stated that it was quite in accord with the contention that full regard should be given to

the shipper's routing instructions.

At a later date representations were also made to the Board by other parties concerning failure of carriers to honour routing instructions endorsed on bills of lading. The Dominion Atlantic Railway Company complained of its loss to the Canadian National Railways of traffic routed via their line which that company did not turn over to them.

The Canadian Manufacturers' Association stated the matter was one that had come to their attention on a number of occasions recently and also had been the subject of some correspondence with the Canadian National Railways.

The Canadian Industrial Traffic League referred to the complaint of the Office Specialty Manufacturing Company and pointed out that they had knowledge of other instances of non-compliance of carriers with shippers' routing instructions and that the matter had been receiving their attention for some time.

Communications along similar lines were received from the Acadia Sugar Refining Company, Limited, Halifax, N.S., and Moirs Limited, Halifax, N.S.

On May 9, 1927, the Board issued to railway companies under its jurisdiction, Circular No. 212, reading as follows:-

Railway ompanies under the jurisdiction of the Board are directed to show cause why a general order should not issue requiring all such railway companies to observe and perform the directions given on bills of lading by shippers, as to the routing of traffic when routing is open under the tariffs in force.

I am further directed to state that all railway companies are required to file, within twenty days, their respective submissions showing cause against such an Order, after filing

of which the matter will be set down for hearing at a convenient date.

Replies were received from numerous carriers to the effect that it had always been their practice to protect routing instructions given on bills o lading by shippers and that they had no objection to issuance of proposed order No company filed representations objecting to the proposed order.

Chairman Ransom of the Canadian Freight Association, Montreal, replyin to the Board's circular on August 3, 1927, on behalf of the carriers, member of that association, which covers the majority of the Canadian railway:

Our committee, on investigating, find that all railways are now observing routin instructions on shipping orders and bills of lading where traffic moves over two or mor lines, when such instructions provide routing via junctions shown in carrier's tariffs. I regard to what we term local traffic, that is shipments moving between stations on or

line, we must sericusly object to an order being issued directing the carriers to handle traffic via any circuitous route that the shipper may see fit to select. As an illustration, the rates between Montreal and Toronto are based on the direct line mileage, and we contend that it is manifestly unfair to the railways to ask them to handle traffic between these two cities via North Bay and Ottawa at the established rates, without an additional charge for the extra service performed, should the shipper for any reason of his own desire traffic to move via such circuitous route.

We trust that on due consideration of what is said herein, the Board will conclude

that no order is necessary.

On August 11, 1927, the Deminion Atlantic Railway Company stated that in that territory the Canadian National Railways were continuing to ignore routing instructions, resulting in loss of revenue to that company, such situation being in conflict with Mr. Ransom's representation to the Board that the railways were observing routing instructions on shipping orders and bills of lading. The Dominion Atlantic Railway Company were requested to send a copy of their communication to Mr. Ransom for the further consideration of the matter by his Committee, and, under date of December 13, 1927, Mr. Ransom wrote the Board as follows:-

In further reference to yours of December 1, file 26602.66, re Board's Circular No. The representatives of the Canadian Railways have instructions that they must 212. The representatives of the Canadian Kallways have instructions that they must observe shippers routing orders on bills of lading and shipping orders where traffic moves over two or more lines. These instructions, however, are occasionally not carried out and in that manner they are no different than many other instructions which, through error, are sometimes not observed. These diversions we assure you are not intentionally made and when through error or oversight a diversion is made of a shipment that deprives a support of the transfer of the control of the contro one line of revenue that they would have received had the routing instructions been carried out, the carrier responsible for the error attempts to adjust the matter with their connection by giving them an unrouted car to make good the loss. This particular case which has been brought up by Mr. Comeau has been referred to the Traffic Officers of the Canadian National Railways for their attention.

RULING

In view of the foregoing, the Board is of opinion that the instructions issued by the carriers, as contained in the representations made by Mr. Ransom, do not appear to need to be implemented by an order of the Board.

APPENDIX "B"

REPORT OF THE CHIEF TRAFFIC OFFICER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1927

DEAR SIR,—I submit for the Board's twenty-third report information regarding work of the Traffic Department.

The number of freight, passenger, express, telephone, telegraph, and sleeping and parlour car schedules filed with the Board is as follows:—

FROM NOVEMBER 1, 1904, TO AND INCLUDING DECEMBER 31, 1926

Freight— Local Tariffs. Supplements.	19,509 41,071	60,580	
Joint TariffsSupplements	44, 292 167, 505	211,797	
International TariffsSupplements	172,237 580,181	752,418	1,024,795
Passenger— Local Tariffs. Supplements.	19,939 26,052	45,991	
Joint TariffsSupplements	20, 252 32, 108	52,360	
International TariffsSupplements	39,758 84,826	124,584	222,935
Express— Local Tariffs. Supplements.	6,368 58,066	64,434	
Joint TariffsSupplements	6,695 28,864	35,559	
International TariffsSupplements	7,399 11,707	19,106	119,099
Telephone— Local Tariffs. Supplements.	3,592 2,671	6,263	201,011
Joint Tariffs	3,926 33,998	37,924	
International Tariffs. Supplements.	9,719	10,148	54,335
Telegraph— Tariffs Supplements	207 261	468	468
Sleeping and Parlour Car— Local Tariffs	234 331	565	
Joint Tariffs	314 520	834	
International TariffsSupplements	379 1,158	1,537	2.936
Grand total			1,424,568

FROM JANUARY 1, 1927, TO AND INCLUDING DECEMBER 31, 1927

		DECEMBER 3	31, 1927
Freight—			
Local Tariffs. Supplements.	262 405		
Joint Tariffs. Supplements.	1,244	667	
International Tariffs	3,461	12,658	
Supplements	31,360	34,821	
Passenger—			4 8, 146
Local Tariffs Supplements	279 386		
Joint Tariffs Supplements	540 1,048	665	
International TariffsSupplements	947	1,588	
		4,086	6,339
Express—			0,000
Local Tariffs. Supplements.	$\frac{60}{258}$		
Joint Tariffs Supplements.	102 1,310	318	
International Tariffs	153	1,412	
Supplements.	986	1,139	
Telephone—			2,869
Local Tariffs Supplements	451 1		
Joint Tariffs		452	
International Tariffs	360	360	
Supplements			
Telegraph—	-	••	812
TariffsSupplements	1		
	10	11	1.
Sleeping and Parlour Car—			11
Local Tariffs. Supplements.	$\frac{2}{7}$		
Joint Tariffs	3	9	
Supplements. International Tariffs.	<u>8</u> <u>5</u>	11	
Supplements	11	16	
TD ()	_		36
Total		* * * * * * * * * * * * * * * * * * * *	58,213
Combined Total all Schedules			

The number of communications to railways, express, telephone, and teleaph companies in connection with complaints, proper interpretation of tariffs, classification and filing of same, also in connection with powers of attorney, neurrences, etc., was 870. Communications to others were 1,093, or a total of 363.

The following is a list of Traffic Orders issued, also a list of orders approving connecting agreements or service station contracts between the Bell Telephone Company and named local telephone companies:-

TRAFFIC ORDERS

No. 38655, January 13, 1927. Approving Supplement No. 3 to Canadian

Freight Classification No. 17.

No. 38757, February 14, 1927. Authorizing A. G. Blair, K.C., Counsel, and Geo. A. Brown, Assistant Chief Traffic Officer, to inquire into and report upon application of the Ross Leaf Tobacco Company, of Kingsville, Ont., for transit rate on partly processed raw leaf tobacco from St. Thomas to Kingsville, with stop-over privileges at Kingsville, for shipments en route to seaboard or final destination in Dominion of Canada.

No. 38763, February 12, 1927. Disallowing Supplement 4 to the Canadian National Railways Tariff C.R.C. No. E-1068, owing to lack of proper notice

being given therein.

No. 38774, February 16, 1927. Approving by-law of the Toronto Transportation Commission authorizing David C. Harvey, General Manager, to prepare and issue tariffs of tolls to be charged in respect of the Schomberg and Aurora Railway Company.

No. 38777, February 21, 1927. Permitting the Bell Telephone Company to file individual exchange tariffs and supplements to become effective March 1, 1927, to give effect to rates and charges prescribed and authorized by and in

accordance with Judgment of the Board dated February 21, 1927.

No. 38793, February 24, 1927. Authorizing the Canadian National Railways to issue forthwith supplements to their Tariffs C.R.C. Nos. E-697, E-1068, and E-1069, incorporating a charge for stop-off on lumber, dressed, resawed, kiln-dried, or sorted and reshipped, which through a clerical error was omitted from supplements published pursuant to Order of the Board No. 37681, dated May 29, 1926.

No. 38831, March 15, 1927. Suspending, pending review by the Board, Order No. 38450, dated November 2, 1926, requiring the Canadian National Railways forthwith to amend their tariff applying on coal, carloads, by publishing competitive rates on coal from Three Hills, Alta., to common points in Saskatchewan and Manitoba, which shall not exceed the rates published by the Canadian Pacific Railway to the same destinations.

No. 38839, March 16, 1927. Approving Burrard Inlet Tunnel and Bridge

Company's Tariff of Standard Maximum Tolls, C.R.C. No. 2.

No. 38871, March 29, 1927. Refusing application of the Ross Leaf Tobacco Company, Ltd., Kingsville, Ont., for transit rate on partly processed raw leaf tobacco, from St. Thomas to Kingsville, with stop-over privileges at Kingsville. for shipments en route to the seaboard or final destination in the Dominion of Canada.

No. 38893, April 7, 1927. Permitting the Canadian Pacific Railway to issue forthwith supplements cancelling joint tariffs, in respect of which the Edmonton, Dunvegan and British Columbia Railway, the Central Canada Railway, and the Alberta Great Waterways Railway have withdrawn their concurrences, on three days' notice.

No. 38898, April 7, 1927. Refusing application of Canadian Canners, Limited, with respect to rates applicable in October and November, 1924, on bituminous coal, in carbads, from Ericau to Waterford, Ont., via the Pere Mar-

quette and Michigan Central Railroads.

No. 38903, April 14, 1927. Authorizing the Canadian National Railways to file supplement to Tariff C.R.C. No. E-1182, to correct error whereby a rate of 29½ cents per 100 pounds on asbestos waste, carloads, from Danville, P.Q., to Nashua, N.H., was shown instead of 20½ cents per 100 pounds.

No. 38968, April 28, 1927. Permitting the Canadian National Railways to file, effective May 14, 1927, tariffs and supplements in lieu of certain supple-

ments which had been rejected.

No. 38974, May 2, 1927. Approving Canadian National Railways special form of ticket being release of liability in respect of passengers travelling in automobiles loaded on flat cars handled by the car ferry on regular passenger trips between the mainland and Prince Edward Island.

No. 38998, May 12, 1927. Permitting the Maine Central Railroad to file cancellation supplements to freight tariff C.R.C. No. C-2502 and passenger tariffs C.R.C. Nos. 298, 299 and 300, upon one day's notice.

General Order No. 440, May 5, 1927. Disallowing in Canadian National Railways tariffs C.R.C. No. E-1068, C.R.C. No. E-1069 and Supplement 2 to C.R.C. No. E-697, and Canadian Pacific Railway corrections 148, 149, 152 and 153 to C.R.C. No. E-4126, as well as all other tariffs filed with the Board by railway companies subject to its jurisdiction, rules contained therein which provide that the out of line haul will be the difference between the distance via the shortest route from point of origin to final destination, and the shortest route from point of origin to final destination via the stop-off point.

General Order No. 442, May 10, 1927. Amending paragraph No. 1534, page 10, of Regulations for transportation of Explosives, by adding a new paragraph relative to heavy tin cans for transportation of black powder.

No. 39162, June 11, 1927. Approving Canadian National Railways Standard and Special Joint Freight Distance Tariffs C.R.C. Nos. E-1209 and E-1210.

No. 39163, June 13, 1927. Approving Inverness Railway & Coal Company's Standard Freight Distance Tariff C.R.C. No. 19.

No. 39180, June 13, 1927. Approving Supplement "H" to the Express Classification for Canada No. 6.

No. 39197, June 17, 1927. Disallowing proposed cancellation, effective June 27, of rates on pulpwood, in carloads, from stations in Quebec and New Brunswick to Bathurst, Chatham, Edmundston, and Saint John, N.B., for manufacture and reshipment via Canadian National Railways, as published in Canadian National Railways Tariff C.R.C. No. E-1049.

No. 39202, June 18, 1927. Directing that rates on potatoes, in carloads, from points on the Tobique Subdivision of the Canadian Pacific Railway to destinations shown in the company's tariff C.R.C. No. E-4005, be reduced to the same basis as now published from St. Leonards, N.B., to the same destination.

No. 39236, June 23, 1927. Dismissing complaint of the Nova Scotia Shippers' Association, of Kentville, N.S., against the rates charged by the Dominion Atlantic Railway on apples, in carloads, to Halifax for export.

No. 39237, June 24, 1927. Permitting the Express Traffic Association to publish, in Tariff C.R.C. No. E.T. 980, effective June 27, 1927, estimated weights on berry boxes, in crates, as formerly published in Tariff C.R.C. No. E.T. 909.

General Order No. 443, June 21, 1927. Authorizing railway companies to publish joint rates between points on Vancouver & Lulu Island Railway, outside of interswitching limits, and points on the Canadian National Railways, on the same relative basis as applies from other local points on lines of the Canadian Pacific Railway, outside interswitching limits in the vicinity of Vancouver and New Westminster, B.C.

No. 39256, June 27, 1927. Approving Sydney & Louisburg Railway Stand-

ard Freight Tariff C.R.C. No. 19.

No. 39259, June 27, 1927. Suspending proposed cancellation of rates on hardwood sawdust, published in item 130-A of Canadian Pacific Railway Supplement 36 to Tariff C.R.C. No. W-2793, and page 5 of Canadian National Railways Supplement 5 to Tariff C.R.C. No. W-445.

No. 39260, June 29, 1927. Suspending item No. 674-D in Supplement 59 to Canadian National Railways Tariff No. C.R.C. E-875, covering switching ser-

vices at stations on said railways.

No. 39271, June 30, 1927. Permitting the Canadian National Railways to make effective on July 2, 1927, Supplement 13 to Tariff C.R.C. No. 95, for the purpose of establishing a rate of \$1.50 on fish from Faust to Edmonton, Alta.

No. 39311, July 1, 1927. Approving tariffs filed by the Cumberland Rail-

way and Coal Company under the Maritime Freight Rates Act.

No. 39312, July 1, 1927. Approving tariffs filed by the Inverness Railway and Coal Company under the Maritime Freight Rates Act.

No. 39314, July 1, 1927. Approving tariffs filed by the New Brunswick Coal & Railway under the Maritime Freight Rates Act.

No. 39315, July 1, 1927. Approving tariffs filed by the Fredericton & Grand Lake Coal & Railway under the Maritime Freight Rates Act.

No. 39316, July 1, 1927. Approving tariffs filed by the Canadian Pacific Railway under the Maritime Freight Rates Act.

No. 39317, July 1, 1927. Approving tariffs filed by the Dominion Atlantic

Railway under the Maritime Freight Rates Act.

No. 39318, July 1, 1927. Approving tariffs filed by the Sydney and Louisburg Railway under the Maritime Freight Rates Act.

No. 39319, July 1, 1927. Approving tariffs filed by the Maritime Coal, Railway and Power Company under the Maritime Freight Rates Act.

No. 39320, July 1, 1927. Approving tariffs filed by the Quebec Oriental Railway under the Maritime Freight Rates Act.

No. 39321, July 1, 1927. Approving tariffs filed by the Atlantic, Quebec and Western Railway under the Maritime Freight Rates Act.

General Order No. 444, June 20, 1927. Amending General Order No. 151, Regulations Governing Baggage Car Traffic, by the substitution of new rules.

No. 39322, July 1, 1927. Approving tariffs filed by the Temiscouata Railway under the Maritime Freight Rates Act.

No. 39339, July 1, 1927 No. 39341, " No. 39342, No. 39343, 66 No. 39346,

Approving tariffs of various railways filed under the Maritime Freight Rates Act.

No. 39348, July 14, 1927. Directing the Canadian National Railways forthwith to publish through rates via Saint John and Ste. Rosalie from points in the Maritime Provinces to stations in Canada beyond Eastern lines; said through rates to be the rates in existence between such points on June 30, 1927, less approximately 20 per cent, as provided in section 3 of chapter 44, 17 George V.

No. 39349, July 14, 1927. Directing the Canadian Pacific and Canadian National Railways to publish forthwith joint tariffs naming through rates from points in the Maritime Provinces to stations west thereof in Canada, via Saint John and Ste. Rosalie Junction, which will be the same as published between

the same points via the Canadian National Railways direct; such tariffs to cover all traffic and the same territorial application as existing June 30, 1927.

No. 39375, July 21, 1927, No. 39376, July 21, 1927

Approving tariffs of railways filed under the Maritime Freight Rates Act.

No. 39392, July 26, 1927 No. 39393, July 26, 1927. Approving Canadian Pacific Express Company's By-law No. 14 appointing the Traffic Manager to prepare and issue tariffs of tolls of the said company.

No. 39341, July 26, 1927 No. 39408, July 30, 1927

Approving tariffs of railways filed under the Maritime Freight Rates Act.

No. 39410, Aug. 1, 1927 No. 39428, Aug. 4, 1927

No. 39458, August 16, 1927. Rescinding Order No. 39259, dated June 27, 1927, with respect to rates on hardwood sawdust.

No. 39477, August 11, 1927. Rescinding Order No. 39260, dated June 29, 1927, with respect to switching services at stations on the Canadian National Railways.

General Order No. 448, August 26, 1927. Requiring that the rates on grain and flour from all points on Canadian Pacific Railway branch lines west of Fort William to Fort William, Port Arthur and Westfort be equalized to the present Canadian Pacific main line basis of rates of equivalent mileage groupings; and that all other railway companies adjust their rates on grain and flour to Fort William, Port Arthur, Westfort and Armstrong to the rates so put into effect by the Canadian Pacific Railway;

That the rates on grain and flour from prairie points to Vancouver and Prince Rupert for export shall be on the same basis as the rates to Fort

William;

That the provisions as to distributing tariffs be extended so as to apply to

the Canadian National Railways;

That the Canadian National Railway Company publish and file a tariff showing a rate of 18.34 cents per 100 pounds on all grain for export from Port Arthur, Fort William, Westfort and Armstrong, Ont., to Quebec;

That all railway companies subject to the jurisdiction of the Board publish

and file tariffs showing the same rate to Quebec as to Montreal on:

A. Grain from bay ports for export;

B. All traffic from Toronto and points west thereof for export.

No. 39504, August 30, 1927. Permitting the Dominion Atlantic Railway to file supplement to its Tariff C.R.C. No. 817 to correct error made when mileage rates in Tariff C.R.C. No. 737 were not reissued in tariff C.R.C. No. 817 applicable on traffic for furtherance to United States points.

No. 39509, August 30, 1927

No. 39510, August 30, 1927 Approving tariffs of railways filed under No. 39511, August 30, 1927 the Maritime Freight Rates Act. the Maritime Freight Rates Act.

No. 39514, September 2, 1927. Suspending Canadian Freight Association tariff C.R.C. No. 343, covering rates on canned goods from Ontario points to Fort William and Port Arthur, pending hearing.

No. 39523, September 10, 1927. Approving Express Classification for Canida No. 7.

No. 39533, September 2, 1927] Approving tariffs filed under the Mari-No. 39534, August 30, 1927 time Freight Rates Act.

No. 39542, September 1, 1927. Dismissing application of the Canadian National Railways for an Order rescinding Order No. 39349, with respect to outing traffic through Saint John and Ste. Rosalie Junction.

No. 39556, September 15, 1927. Suspending, pending hearing, Canadian Freight Association Tar.ff C.R.C. No. 71 in so far as it affects rules and charges for car demurrage on bulk grain consigned to public terminal elevators at Vancouver, B.C.

No. 39584, September 14, 1927 No. 39585, September 14, 1927 No. 39586, September 14, 1927 Approving tariffs filed under the Maritime Freight Rates Act

No. 39607, September 20, 1927. Approving Michigan Central Railroad By-law appointing O. R. Bromley, L. W. Landman, J. W. Switzer, E. W. Brunek, and E. F. Louchtman, to prepare and issue tariffs of tolls of the said company.

No. 39609, September 21, 1927 No. 39614, September 21, 1927 No. 39619, September 21, 1927 No. 39622, September 21, 1927 No. 39624, September 21, 1927 No. 39624, September 21, 1927

No. 39632, September 21, 1927 J No. 39655, September 29, 1927. Authorizing the Dominion Atlantic Railway to publish on three days' notice a supplement to its Tariff C.R.C. No. 813, providing that rates shown in item 10 of said tariff are competitive and not applicable between intermediate points.

General Order No. 450, September 24, 1927. Amending General Order No. 151 (Baggage Car Regulations) by striking out the words "other than Government railways" in paragraph 1 of the operative part of the said order, making the same subsequent Orders dealing with such traffic applicable to Canadian Government Railways.

No. 39709, October 12, 1927. Approving tariff filed by the Canada and Gulf Terminal Railway under the Maritime Freight Rates Act.

No. 39724, October 13, 1927. Approving Supplement 1 to Express Classification for Canada No. 7.

No. 39725, October 12, 1927 No. 39726, October 12, 1927 No. 39727, October 12, 1927 No. 39728, October 12, 1927 No. 39729, October 12, 1927 No. 39730, October 12, 1927 No. 39734, October 12, 1927 No. 39754, October 19, 1927

Approving tariffs filed under the Maritime Freight Rates Act.

No. 39734, October 12, 1927 |
No. 39754, October 19, 1927 |
No. 39755, October 19, 1927 |
No. 39756, October 19, 1927 |
No. 39757, October 19, 1927 |
No. 39758, October 19, 1927 |

Approving tariffs filed under the Maritime Freight Rates Act.

General Order No. 453, October 21, 1927. Declaring that hay billed to Canadian ports for feeding cattle on ocean steamers should be accorded the same car demurrage regulations as provided for export traffic.

General Order No. 452, October 18, 1927. Amending paragraph 7 of Shipping Container Specification No. 13 of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight.

No. 39783, October 26, 1927 No. 39784, October 26, 1927 No. 39785, October 26, 1927

No. 39786, October 26, 1927

No. 39787, October 26, 1927 No. 39818, October 26, 1927 Approving tariffs filed under the Maritime Freight Rates Act.

No. 39853, November 12, 1927 No. 39859, November 12, 1927 No. 39860, November 12, 1927 No. 39861, November 12, 1927

No. 39861, November 12, 1927 No. 39662, November 12, 1927 Approving tariffs filed under the Maritime Freight Rates Act.

No. 39882, November 17, 1927. Dismissing complaint of the Dominion Shuttle Company, Ltd., Lachute Mills, Que., against freight rates on cross-arms from western to eastern points.

No. 39911, November 21, 1927. Rescinding Order No. 37540, dated April 20, 1926, suspending amendment to Canadian Freight Association Tariff C.R.C. No. 256 in connection with advanced rates on perfumery.

No. 39913, November 17, 1927. Rescinding Order No. 39556, dated September 15, 1927, suspending Canadian Freight Association Tariff C.R.C. No. 71 in so far as same affects rules and charges for car demurrage on bulk grain consigned to public terminal elevators at Vancouver, B.C.

No. 39975, November 22, 1927. Refusing application of Queen's Central Agricultural Society No. 70, New Brunswick, and others, for a reduction in the charge of the Canadian Pacific Railway for switching import and export carload traffic between East Saint John and West Saint John, and directing that the Canadian Pacific Railway establish, effective within two weeks from the date of this order, a rate of $4\frac{1}{2}$ cents per 100 pounds for the movement of hay, in carloads, minimum weight as per Canadian Freight Classification, from East Saint John to West Saint John.

No. 39922, November 23, 1927. Approving Michigan Central Railroad By-law appointing O. R. Bromley, L. W. Landman, J. W. Switzer and E. W. Brunck to prepare and issue tariffs of tolls.

No. 39963, December 1, 1927 No. 39964, December 1, 1927 No. 39969, December 1, 1927 No. 39970, December 1, 1927 No. 39971, December 1, 1927

Approving tariffs filed under the Maritime Freight Rates Act.

No. 39974, December 2, 1927. Approving Supplement No. 6 to Tariff C.R.C. No. E.T. 694 of the Express Traffic Association, covering Regulations for the Transportation of Acids and other Dangerous Articles by Express.

No. 39981, December 3, 1927. Rescinding Order No. 39514, dated September 2, 1927, suspending Supplement 1 to Canadian Freight Association Tariff C.R.C. No. 343 cancelling competitive rail and water rate of 41 cents per 100 pounds on canned goods, carloads, from stations in Eastern Canada to Fort William and Port Arthur, when destined to points beyond.

No. 39999, December 6, 1927. Declaring that under the provisions contained in Canadian National Railways tariffs C.R.C. Nos. W-432 and W-434, and Canadian Pacific Railway tariffs C.R.C. Nos. W-2788 and W-2755, the absorption of unloading charges which should have been made by the said railway companies with respect to flour exported over the Balfour-Guthrie Warehouse company's dock at Vancouver, B.C., was 40 cents per 2,000 pounds.

No. 40081, December 27, 1927. Requiring the Canadian National and Canadian Pacific Railways to establish, effective January 2, 1928, a joint rate on salt, coarse or rock, in carloads, of 36½ cents per 100 pounds, from Malagash, Nova Scotia, to Temiskaming, Quebec, the rate to be divided 17.7 cents for the Canadian National Railways and 18.8 cents for the Canadian Pacific Railway.

General Order No. 455, December 20, 1927. Striking out paragraph 1836 (c) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, and substituting therefor a new clause, with respect to shipping containers for matches.

No. 40121, December 31, 1927. Refusing application of the Dominion Sugar Company. Limited, of Chatham, Ontario, for an order adjusting the rates on sugar beets, carloads, to Chatham and Wallaceburg, Ont., so as to remove alleged discrimination in favour of Raymond, Alta.

TELEPHONE ORDERS

Order No.	Date	Connecting Company
38625	Jan. 8, 1927	Commissioners for the Telephone System of the Municipality of the Town-
		ship of Arran.
38627 38628	Jan. 8, 1927 Jan. 8, 1927	Upper Ottawa Improvement Company.
38630	Jan. 8, 1927	Canadian Explosives, Limited. Maniwaki Power and Telephone Company.
38677	Hon TX 1427	Thames hoad relephone System.
38708	Hon 96 1927	Herryville delegnone Company.
38712	Jan. 26, 1927	Clarence Telephone Company. Mount Forest, Wellington & Grey Telephone Company.
38727 38747	1Fab 8 1927	Temiskaming & Northern Ontario My. Commission.
38765	TD. L 15 1007	The Hartman Private Lelennone Line.
38766	Feb. 15, 1927	Camperdown Telephone Company.
38769 38772	Feb. 16, 1927	Addorough Farmers Telephone Association. Commissioners for the Telephone System of the Township of Euphrasia. Urban and Rural Telephone Company.
38795	Feb. 25, 1927	Urban and Rural Telephone Company.
38838	Mar. 15, 1927	Conn Telephone Company. Hawthorne Hill Rural Telephone Company. Molesworth Independent Telephone Company. Perry Telephone System. Winto Rural Telephone Company.
38844	Mar. 15, 1927	Hawthorne Hill Rural Telephone Company.
38904	April 13, 1927	Molesworth Independent Telephone Company.
38906 38915	April 1, 1927	Minto Rural Telephone Company.
38916	April 14, 1927	Minto Rural Telephone Company. Thamesville Telephone Company. Commissioners for the Telephone System of the Municipality of the
35931	April 19, 1927	Commissioners for the Telephone System of the Municipality of the
00000		Township of Dawn.
38967 38973	May 3, 1927	Commissioners for the Telephone System of the Municipality of the
00010		Township of London.
39023	May 16, 1927	Muskoka River Telephone Company.
39025	May 16, 1927	Purbrock & Fraserburg Telephone Company.
39029	May 16, 1921	Township of Monck. Gore Mutual Telephone Company. Corporation of the Township of Maidstone. South Colchester Telephone Company.
39032	May 16, 1927	Gore Mutual Telephone Company.
39033	May 16, 1927	Corporation of the Township of Maidstone.
39034	May 16, 1927	South Colchester Telephone Company.
39035	May 16, 1927	Carpenter-Hixton Company, Limited. Bracebridge & Northwood Telephone Company.
39040 39069	May 21 1927	Lake Charles Telephone Company.
39071	IMay 21 1927	Roat Lake Telephone Company.
39096	May 27, 1927	Clavering Telephone Company. Zion & Wolseley Telephone Company.
39097	May 27, 1927	Mount Horah Tolonhone Company.
39099 39101	May 27, 1927	Mount Horeb Telephone Company. Silver Creek Telephone Company.
39102	May 27, 1927	Commissioners for the Telephone System of the Sunicipanty of
	37 08 4007	Township of Wilmot.
39103	May 27, 1927	Gillies Telephone System. Park Head Telephone Company.
39105 39106	May 27, 1927	Ninissing Private Telephone Line.
39107	May 25, 1927	. Keppel Rural Telephone Company.
39108	May 27, 1927	. Cecil Swale Telephone System.
39275 39278 39279	June 18, 1927	Nipissing Private Telephone Line. Keppel Rural Telephone Company. Cecil Swale Telephone System. Byron Telephone Company. Bethesda-Mutual Telephone Company. Corporation of the Township of Rochester.
39278	June 21, 1927	Bethesda-Mutual Telephone Company. Corporation of the Township of Rochester. Salem Telephone Company. Fourth Line of Ross Telephone Company. East Darlington Telephone Company. Coldstream Telephone System. Johnson & Brandon Telephone Company. Amabel Telephone Company. Adelaide Telephone Company. Fingal Telephone Company. Fingal Telephone Company. Lucknow & Kinloss Telephone Company. Caradoc-Ekfrid Telephone Company.
39283	June 21, 1927	. Salem Telephone Company.
39287	June 30, 1927	Fourth Line of Ross Telephone Company.
39288	June 21, 1927	East Darlington Telephone Company.
$39332 \\ 39391$	July 23, 1927	Johnson & Brandon Telephone Company.
39472	Aug. 12, 1927	. Amabel Telephone Company.
39474	Aug. 11, 1927	. Adelaide Telephone Company.
39497	Aug. 25, 1927	Fingal Telephone Company.
$39524 \\ 39529$	Sept. 3, 1927	Lucknow & Kinloss Telephone Company.
39562	Sept. 15, 1927	. Caradoc-Ekfrid Telephone Company.
39563	Sept. 15, 1927	. Caradoc-Ekfrid Telephone Company Hepworth & Maple Grove Telephone Company Caledon Municipal Telephone System.
39564	Sept. 15, 1927	. Caledon Municipal Telephone System.
$39565 \\ 39612$	Sont 21 1027	La Compagnie de Telephone de St. Hubert de Spaulding. Lambton Telephone Company.
39682	Oct. 4, 1927	Commissioners for the Telephone System of the Municipality of the
30002		Township of Monek.

TELEPHONE ORDERS-Concluded

Order	No.	Date	Connecting Company
397 397 397 398 398 399 399 4000 4001 4002 4006	71 77 78 90 23 99 10 41 99 4	Oct. 24, 1927 Oct. 24, 1927 Oct. 28, 1927 Nov. 28, 1927 Nov. 29, 1927 Nov. 19, 1927 Nov. 28, 1927 Dec. 10, 1927 Dec. 10, 1927 Dec. 10, 1927 Dec. 10, 1927 Dec. 12, 1927	Woodville-Glen Telephone Company. People's Telephone Company of Forest. La Compagnie de Telephone de Woburn. Apsley Telephone Company. Sparta Rural Telephone Company. Sauble Falls Telephone Company. Erie Telephone Company. Yarmouth Rural Telephone Company. Wroxeter Rural Telephone Company. Hexley Telephone Company. Rumney Settlement Telephone Company. Norland Independent Telephone Company. Head Lake Telephone Company. Moore Municipal Telephone System.

APPENDIX C

REPORT OF THE CHIEF ENGINEER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1927

OTTAWA, ONT., February 16, 1928.

A. D. CARTWRIGHT, Esq., Secretary, Board of Railway Commissioners, Ottawa, Ont.

Sir,-I have the honour to submit herewith synopsis of my annual report as to the work of the Engineering Department of the Board during the year 1927.

ROUTE MAPS

Route Map of the general location of the Aikins Northerly Branch of the Canadian Pacific Railway from section 13, township 16, range 13, W. 3 meridian, at mile O to section 31, township 19, range 13, W. 3 meridian, at mileage 25, province of Alberta.

Revised route map of the Moose Jaw Southwesterly Branch of the Canadian Pacific Railway (Assiniboia-Consul) from section 23, township 6, range 1, W. 3 meridian, at mileage 78.93, to section 8, township 5, range 10, W. 3

meridian, at mileage 155.63, in the province of Saskatchewan.

Route map of general location of the Cassils Southerly Branch of the Canadian Pacific Railway from section 5, township 19, range 15, W. 4 meridian, at mileage 0, to section 14, township 16, range 16, W. 4 meridian, at mileage 18, in the province of Alberta.

Route map of the general location of the Swift Current Southwesterly Branch of the Canadian Pacific Railway from Swift Current, mileage 0 to

37.5, in the province of Saskatchewan.

General route and location of the Canadian Transit Company's bridge

over the Detroit river in the town of Sandwich, Ont.

Revised general location of the Cassils Southerly Branch of the Canadian Pacific Railway from section 23, township 16, range 15, W. 4 meridian, at

mileage 16.2 to mileage 23.4, province of Alberta.

Route map of general location of the Fife Lake Branch of the Canadian Pacific Railway from section 2, township 3, range 30, W. 2 meridian, at mileage 0 to section 20, township 2, range 4, W. 3 meridian, at mileage 32.8, in the province of Saskatchewan.

Route map of general location of the Asquith-Cloan Branch of the Canadian Pacific Railway from section 9, township 38, range 11, W. 3 meridian, at mileage 18.0 to section 31, township 39, range 12, W. 3 meridian, at mileage

30.7, in the province of Saskatchewan.

Route map of general location of the Foam Lake Westerly Branch of the Canadian Pacific Railway from section 34, township 30, range 11, W. 2 meridian, at mileage 0 to section 18, township 29, range 15, W. 2 merdian, a mileage 31.8, in the province of Saskatchewan.

Route map of general location of the Foam Lake Western Branch of th Canadian Pacific Railway from section 13, township 29, range 14, W. 2 mer idian, at mileage 20.25, to section 18, township 30, range 17, W. 2 merdian, a

mileage 45, in the province of Saskatchewan.

Route map of general location of a portion of the Leader Southwesterl Branch of the Canadian Pacific Railway from section 6, township 16, rang 19, W. 3 meridian, at mileage 126, to section 22, township 18, range 17, W. 3

meridian, at mileage 150.1, in the province of Saskatchewan.

Route map of general location of the Rosetown-Perdue Branch of the Canadian Pacific Railway from section 27, township 32, range 14, W. 3 meridian, at mileage 17.0, to section 24, township 33, range 13, W. 3 meridian, at mileage 26.8, in the province of Saskatchewan.

Route map of the general location of the Rosetown-Perdue Branch of the Canadian Pacific Railway from section 24, township 33, range 13, W. 3 meridian, at mileage 26.8, to a point near Perdue at mileage 44.6, in section 31, township 35, range 11, W. 3 meridian, in the province of Saskatchewan.

LOCATION

Location of a portion of the Cassils Southerly Branch of the Canadian Pacific Railway from section 5, township 19, range 15, W. 4 meridian, at mileage 0, to section 11, township 16, range 16, W. 4 meridian, at mileage 28.09, in the province of Alberta.

Location of the Rosemary Northerly Branch of the Canadian Pacific Railway from section 1, township 21, range 16, W. 4 meridian, at mileage 0, to section 35, township 24, range 15, W. 4 meridian, at mileage 25.03, in the

province of Alberta.

Location of the Langdon North Branch of the Canadian Pacific Railway from section 25, township 24, range 15, W. 4 meridian, at mileage 122.74, to section 5, township 24, range 14, W. 4 meridian, at mileage 128.0, in the province of Alberta.

Location of a portion of the Asquith-Cloan Branch of the Canadian Pacific Railway from section 35, township 37, range 10, at mileage 8.04, to section 17, township 38, range 11, W. 3 meridian, at mileage 18.73, in the province of Saskatchewan.

Location of a portion of the Rosetown-Keppel Branch of the Canadian Pacific Railway from section 14, township 30, range 15, W. 3 meridian, at mileage 0 to section 31, township 33, range 13, W. 3 meridian, at mileage 25.07, in the province of Saskatchewan.

Location of a portion of the Cassils Southerly Branch of the Canadian Pacific Railway from mileage 18 to section 19, township 15, range 15, W. 4

meridian, at mileage 23.39, in the province of Alberta.

Location of the bridge of the Canadian Transit Company over the Detroit

river between Sandwich and city of Detroit.

Location of a portion of the Asquith-Cloan Branch of the Canadian Pacific Railway from section 17, township 38, range 11, W. 3 meridian, at mileage 18.73, to section 32, township 39, range 12, W. 3 meridian, at mileage 30.70, in the province of Saskatchewan.

Location of a portion of the Foam Lake Branch of the Canadian Pacific Railway from section 31, township 30, range 11, W. 2 meridian, at mileage 0 to section 13, township 29, range 14, W. 2 meridian, at mileage 20.25, in the

province of Saskatchewan.

Location of a portion of the Rosetown-Perdue Branch of the Canadian Pacific Railway from section 27, township 32, range 14, W. 3 meridian, at mileage 16.95, to section 24, township 33, range 13, W. 3 meridian, at mileage 26.81, in the province of Saskatchewan.

REVISED LOCATION

Revised location of the Esquimault and Nanaimo Railway from the casterly limit of Johnson street bridge to and into Block D, city of Victoria, B.C.

Revised location of Bromhead Westerly Branch of the Canadian Pacific Railway from section 6, township 3, range 13, W. 2 meridian, at mileage 2.37, to section 17, township 2, range 16, W. 2 meridian, at mileage 21.42, in the province of Saskatchewan.

Revised location of the Moose Jaw Southwesterly Branch (Assiniboia-Consul) of the Canadian Pacific Railway from section 23, township 6, range 1, W. 3 meridian, at mileage 78.93, to section 31, township 5, range 5, W. 3

meridian, at mileage 123.20, in the province of Saskatchewan.

Revised location of the Lanigan Northeasterly Branch of the Canadian Pacific Railway from section 7, township 45, range 18, W. 2 meridian, at mileage 83.54, to section 18, township 46, range 18, W. 2 meridian, at mileage 90.86, in the province of Saskatchewan.

Revised location of a portion of the Fife Lake Branch of the Canadian Pacific Railway from section 33, township 3, range 30, W. 2 meridian, at mileage 16.21, to section 1, township 2, range 27, W. 2 meridian, at mileage 47.42,

in the province of Saskatchewan.

Revised location of a portion of the Tuffnell-Prince Albert Branch of the Canadian Pacific Railway from section 5, township 51, range 14, W. 2 meridian, at mileage 131.94, to a point in section 10, township 52, range 15, W. 2 meridian, at mileage 142.83, in the province of Saskatchewan.

Revised location of a portion of the Bromhead Westerly Branch of the Canadian Pacific Railway from section 17, township 2, range 16, W. 2 meridian, at mileage 21.42, to section 21, township 2, range 17, W. 2 meridian, at mileage

26.81, in the province of Saskatchewan.

Revised location of a portion of the Cardston Northwesterly Branch of the Alberta and Irrigration Company's railway from section 16, township 3, range 25, W. 4 meridian, at mileage 0 to section 11, township 5, range 27, W. 4 meridian, at mileage 28.15, in the province of Alberta.

Revised location of a portion of the Langdon North Branch of the Canadian Pacific Railway from section 24, township 25, range 16, W. 4 meridian, at mileage 114.68 to a point in section 25, township 24, range 15, W. 4 meridian,

at mileage 122.74, in the province of Alberta.

Revised location of a portion of the Canadian Pacific Railway between the southwest quarter of section 19, township 12, range 9, E. P. M., and the southeast quarter of section 23, township 12, range 8, E. P. M., mileage 90.01 to 91.44, Keewatin subdivision, in the province of Manitoba.

Revised location of a portion of the Canadian Pacific Railway Moose Jaw Southwesterly Branch from section 27, township 6, range 1, W. 3 meridian, at mileage 81.08, to section 3, township 6, range 1, W. 3 meridian, at mileage

86.82, in the province of Saskatchewan.

Revised location of the Nipissing Central Railway in the township of Rouyn, in the province of Quebec, near the town of Rouyn, mileage 56.11 to

59.21, from Swastika, Ont.

Revised location of a portion of the Cassils Southerly Branch of the Canadian Pacific Railway from section 5, township 19, range 15, W. 4 meridian, at mileage 0, to section 13, township 16, range 16, W. 4 meridian, at mileage 16, in the province of Saskatchewan.

Revised location of main line and double track of the Canadian Pacific Railway through Concessions 1, 2, 3, 4 and 5, township of Strathearn, district

of Sudbury, in the province of Ontario.

Revised location of the Foam Lake Southwesterly Branch of the Canadian Pacific Railway from section 13, township 29, range 14, W. 2 meridian, at mileage 20.25, to section 23, township 29, range 15, W. 2 meridian, at mileage 26.96, in the province of Saskatchewan.

Revised location of a portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway from section 19, township 54, range 9, W. 4 meridian, at mileage 145.37, to section 1, township 55, range 13, W. 4 meridian, at mileage 166.75, in the province of Saskatchewan.

Revised location of a portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway from mileage 180.84 to 181.55, all in section 11,

township 56, range 15, W. 4 meridian, in the province of Alberta.

Revised location of a portion of the Cutknife-Whitford lake Branch of the Canadian Pacific Railway from section 19, township 54, range 9, W. 4 meridian, at mileage 145.37, to section 1, township 55, range 13, W. 4 meridian, at mileage 166.75, in the province of Alberta.

Revised location of a portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway from mileage 180.58 to 180.84, and location from

mileage 180.84 to 181.55, in the province of Alberta.

Revised location of a portion of the Foam Lake Southwesterly Branch of the Canadian Pacific Railway from section 14, township 29, range 14, W. 2 meridian, at mileage 22.23, to section 21, township 29, range 14, W. 2 meridian, at mileage 24.13, in the province of Saskatchewan.

Revised location of the Algoma Central and Hudson Bay Railway between mileage 105 and 108, in township 28, range 16, district of Algoma, in the prov-

ince of Ontario.

RAILWAY CROSSINGS

Undercrossing of the Michigan Central Railroad by the Niagara, St. Catha-

rines and Toronto Railway at Palmer avenue, Niagara Falls, Ont.

Crossing at grade of the tracks of the Vegreville subdivision of the Canadian National Railways by the tracks of the Viking Subdivision of the Canadian National Railways.

Crossing at grade of the tracks of the Great Central Lake Branch of the Esquimalt and Nanaimo Railway by the tracks of the Great Central Sawmills

Limited at Great Central Lake, B.C.

Crossing at grade of the tracks of the Canadian Pacific Railway, Pheasants Hill Branch, by the tracks of the Saskatoon Loop Line of the Canadian National Railways at Saskatoon, Sask.

Crossing of the tracks of the Michigan Central Railroad by the Niagara, St. Catharines and Toronto Railway by means of a concrete slab bridge at New

street, Niagara Falls, Ont.

Crossing of the tracks of the Esquimalt and Nanaimo Railway by the tracks of the Alberni Pacific Lumber Company at mileage 26.7, Port Alberni Subdivision.

Crossing of double tracks of the Canadian National Railways by the spur line tracks of the Canadian Pacific Railway to the Exhibition Grounds at Regina, Sask.

Crossing of the tracks of the Brandon Street Railway by the tracks of the

Canadian National Railways at First street, Brandon, Man.

Crossing of the single track of the Canadian National Railway by the single track of the Canadian Pacific Railway by means of an overhead bridge at St. Catherine, P.Q.

OPERATION OF INTERLOCKING PLANTS

Operation of interlocking plant at the crossing of the Michigan Central Railroad and the Canadian National Railways at Yarmouth, Ont.

Operation of interlocking plant at crossing of the Canadian National Rail-

ways by the Canadian Pacific Railway at Lennoxville, P.Q.

Operation of interlocking plant at crossing of the Canadian National Railways and the Montreal Tramways at George V avenue, Montreal East, P.Q.

Operation of interlocking plant at crossing of the Canadian National Railways by the Montreal Tramways at Broadway avenue, Pointe aux Trembles,

Operation of interlocking plant at crossing of the Canadian National Railways by the Montreal Tramways at De la Rousseliere street, Pointe aux

Trembles, P.Q.

Operation of interlocking plant at crossing of the Canadian National Railways by the Abitibi Transportation and Navigation Company's tracks at Stinson, Ont.

RAILWAY CONNECTIONS

Connection between the tracks of the Canadian Pacific Railway and the tracks of the Montreal Tramways Company at mileage 8.83 Lachute Subdivision, in lots 2639, 287-108, and 287-104, parish of Sault au Recollet, in the province of Quebec.

Connection between tracks of the Michigan Central Railroad and the Canadian National Railways in the township of Crowland, county of Welland, in the

province of Ontario.

Wye connection between the main lines of the Alberta and Great Waterways Railway and the Edmonton, Dunvegan and British Columbia Railway at Carbondale, Alta.

Wye connection between Pleasant Point and Cromer Subdivisions of the

Canadian National Railways at Brandon, Man.

Connection between tracks of the British Columbia Electric Railway and

the Canadian Pacific Railway at Abbotsford, B.C. Connection between tracks Nos. 13 and 14, No. 2 Elevator, of the Vancouver Harbour Commissioners and the Canadian Pacific Railway at Vancouver, B.C.

Connection between tracks of the Hamilton Street Railway and tracks of the National Steel Car Corporation, constructed by the Toronto, Hamilton and Buffalo Railway in the township of Barton, county of Wentworth, in the province of Ontario.

INTERCHANGE TRACKS

Interswitching facilities between the Canadian Pacific Railway and the Canadian National Railways at Bienfait, Sask.

Interswitching facilities between the British Columbia Electric Railway and the Canadian Northern Pacific Railway at New Westminster, B.C.

Interswitching facilities between the Canadian National Railways and the Grand Trunk Pacific Railway at Cudworth Junction, in the province of Saskatchewan, in the northwest quarter of section 18, township 48, range 25, W. 2 meridian.

PROTECTION AT HIGHWAY CROSSINGS

Altering ringing circuit of electric bell at crossing of Frankton road, Carleton Place, Ont., by the Canadian Pacific Railway, and restricting speed of trains over crossing to ten miles per hour.

Removal of house in northwest angle of crossing of highway by the Cana-

dian National Railways at Brooklyn Station, N.S., to improve the view.

Establishing of sight lines at highway crossing on the Michigan Central Railroad at Insell, Ont.

Installation of wigwag signal in addition to electric bell at crossing of

Main street, Lancaster, Ont., by the Canadian National Railways.

Removal of obstruction to view and establishing of sight lines at the first crossing of the highway west of Carp Station, Ont., by the Canadian National Railways.

Installation of electric bell and wigwag at the crossing of Howard avenue, Windsor, Ont., by the Essex Terminal Railway.

Installation of wigwag signal in addition to electric bell at crossing of

Church street, Carp, Ont., by the Canadian National Railways.

Installation of electric bell and wigwag signal at highway crossing immediately west of station at Afton, N.S., at mileage 100, Mulgrave Subdivision, Canadian National Railways.

Installation of electric bells and wigwags at crossing of Robinson and Vic-

toria streets, Moncton, N.B., by the Canadian National Railways.

Installation of electric bell and wigwag at crossing of St. Albert trail by

the Canadian National Railways in the city of Edmonton, Alta.

Installation of wigwag signal in addition to electric bell at highway crossing 300 feet east of Ernestown Station, Ont., by the Canadian National Railways.

Installation of automatic bell and wigwag signal at crossing of Main street,

Cobden, Ont., by the Canadian Pacific Railway.

Installation of wigwag signal in addition to bell at crossing of the highway at Martinon Station, N.B., by the Canadian Pacific Railway.

Installation of automatic bell and wigwag at crossing of St. James street,

St. Pierre, P.Q., by the Canadian National Railways.

Installation of electric bell and wigwag signal at highway crossing at Appin, Ont., at mileage 24.7, Canadian Pacific Railway.

Installation of wigwag signal in addition to present bell at crossing of

Brock street, Uxbridge, Ont., by the Canadian National Railways.

Removal of two high wooden fences inside coal yard to improve view at crossing of Kingsbury avenue, Toronto, Ont., by the Canadian National Rail-

Installation of double arm gates at crossing of St. Remi street, Montreal,

P.Q., by the Canadian National Railways.

Removal of semaphore signals and installation of dwarf signals at crossing

of Guy street, Montreal, P.Q., by the Canadian Pacific Railway.

Placing of flagman between 6 a.m. and 10 p.m. in addition to existing bell, at crossing of First avenue, Lachine, P.Q., by the Canadian National Railways.

Installation of automatic bell and wigwag at highway crossing at mileage 24.96, Springhill Subdivision, Canadian National Railways, in the province of Nova Scotia.

Installation of wigwag signal at crossing of King street, Ingersoll, Ont...

by the Canadian Pacific Railway.

Installation of automatic bell and wigwag signal at crossing of highway at Memramcook, N.B., at mileage 105.63, Springhill Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag signal at highway crossing at Causapscal, P.Q., at mileage 47.83, Matapedia Subdivision, Canadian National

Installation of automatic bell and wigwag at highway crossing at Trois Pistole, P.Q., at mileage 56.50, Rimouski Subdivision, Canadian National Rail-

Installation of automatic bell and wigwag signals at highway crossing at Amqui, P.Q., at mileage 60.67, Matapedia Subdivision, Canadian National Railways.

Installation of gates at Gilbert's Lane Crossing, St. John, N.B., at Mile 38.37, Sussex Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at crossing of highway at Sydney

River, N.S., by the Canadian National Railway.

Installation of double automatic bells and wigwags at crossing of Victoria street, Stevensville, Ont., by the Michigan Central Railroad.

Removal of obstructions to view at crossing of the highway by the Feeder Siding of the Canadian National Railway between lots 5 and 6, township of Wainfleet, province of Ontario.

Installation of automatic bell and wigwag at highway crossing at Humphrey,

N.B., Mile 122.79, Springhill Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at crossing of St. Pierre road, Charlottetown, P.E.I., by the Canadian National Railway.

Installation of automatic crossing bell at junction of University ave., and

Waterloo Row, Fredericton, N.B., by the Canadian National Railway.

Installation of alternate flashing lights at the crossing of the March road,

Mile 6.39, Chalk River Subdivision, Canadian Pacific Railway.

Installation of wigwag signal in addition to bell at crossing of Bouthillier street, St. Johns, P.Q., by the Canadian National Railway.

Installation of Farnsworth automatic gates at crossing of Montreal-Sher-

brooke highway near St. Hubert Station, P.Q.

Installation of automatic bell and wigwag at crossing of Church street,

Pointe au Pic, P.Q., by the Canadian National Railways.

Protection of crossing of Richmond St., Chatham, Ont., by the Canadian Pacific Railway having one of their trainmen act as flagman when operating over the crossing.

Installation of automatic bells and wigwags at crossing of highway by the

Michigan Central Railway, three miles east of Canfield Jct., Ont.

Removal of trees at crossing of the Cariboo road by the Canadian National

Railways to improve the view.

Installation of automatic bell and wigwag at crossing of Main street, Cainsville, Ont., by the Canadian National Railways.

Removal of brush and earth embankment at the intersection of Yale Road

and Water street, at Hope, B.C., by the Canadian National Railways. Removal of obstructions to view at crossing of highway known as Blossom

avenue east of Cainsville, Ont., by the Canadian National Railways. Approval of the "Morrison Crossing Signal" or "Lightning Flash Signal"

as protection at highway crossings.

Installation of electric bell and wigwag at crossing of Lincoln Road in township of Walkerville, province of Ontario by the Essex Terminal Railway.

Installation of wigwag signal in addition to bell at highway crossing north of Scotia, Ont., by the Canadian National Railway.

Installation of two automatic bells and wigwags at the crossing of Walker road, township of Walkerville, province of Ontario by the Essex Terminal Rail-

Installation of electric bell and wigwag at second highway crossing west of

Brookfield Station, Ont., by the Michigan Central Railroad.

Installation of two electric bells and wigwags at crossing of Winnipeg street, Regina, Sask., by the Canadian Pacific Railway Company.

Installation of automatic bell and wigwag at crossing of Kildare road, Walkerville, Ont., by the Essex Terminal Railway.

Improvement in view at crossing of La Bataille road, Mile 16.74, Rouses

Point Subdivision, Canadian National Railways.

Installation of electric bell at crossing of Prefontaine street, Montreal, P.Q.,

by the Canadian National Railways.

Removal of obstructions to view at crossing of Aberdeen street, Bridgewater, N.S., by Chester Subdivision, Canadian National Railways.

Installation of automatic bells and wigwags at crossing of Prince Edward street, Brighton, Ont., by the Canadian National Railways and Canadian Pacific Railway Company.

Removal of obstructions to view at crossing the highway by the Canadian National Railways at Mile 97.7, Renfrew, Ont.

Installation of two automatic bells and wigwags at crossing of Tecumseh

road, Tecumseh, Ont., by the Canadian National Railways.

Installation of wigwag signal in addition to electric bell at crossing of Queen street, Guelph, Ont., by the Canadian Pacific Railway Company.

Removal of obstructions to view at crossing of Walker Line road, township

of Nelson, province of Ontario, by the Canadian National Railways.

Maintenance of watchman at crossing of Lancaster street, Kitchener, Ont., by the Canadian National Railways.

Installation of automatic bell and wigwag at crossing of the highway by the

Canadian Pacific Railway at Mile 42.8, Belleville Subdivision.

Installation of interlocking plant at west end of yard of Canadian National Railways at Niagara Falls, Ont., Mile 2.0, Grimsby Subdivision, and at crossing of Michigan Central Railroad single track of new connection between Grimsby and Stamford Subdivisions, in lot 42, township of Stamford.

Removal of signalman at crossing of Michigan Central Railroad by Canadian National Railway in lot 74, township of Stamford, Ont., trains to be flagged

over crossing by train crew.

Removal of signalmen at crossing of Canadian National Railway by the Lake Erie and Northern Railway south of Galt, Ont., between twelve midnight and six a.m. daily.

Removal of signalmen at crossing of the Canadian National Railway by the Lake Erie and Northern Railway at Simcoe, Ont., from twelve midnight to

six a.m. daily.

Changes in interlocking plant at crossing of Hamilton Street Railway by the Toronto, Hamilton and Buffalo Railway on Barton street, Hamilton, Ont.

Installation of gates at crossing of tracks of Toronto Transportation Commission by tracks of the Canadian Pacific Railway at intersection of Front street and Spadina avenue, Toronto, Ont.

Removal of signalmen at crossing of Canadian Pacific Railway and Canadian National Railway at Neepawa, Man., for a period of eight hours each

night.

Changes and signal protection at the crossing of the Canadian National Railway by the Canadian Pacific Railway at Lennoxville, P.Q.

Changes in interlocking plant at crossing of the Canadian National Railway by the Canadian National Railway at De Beaujen, province of Quebec.

Changes in interlocking plant at the crossing of the Canadian National

Railways by the Canadian Pacific Railway at Ringold, Ont.

Changes in interlocking plant at crossing of the Canadian Pacific Railway by the Canadian National Railway, Mile 25.5, La Tuque Subdivision, at St. Basile, P.Q.

Changes in interlocking plant at crossing of Dundas and Otterville Sub-

divisions of the Canadian National Railways at Woodstock, Ont.

OPENING FOR TRAFFIC

Opening for carriage of traffic the connection between Three Hills Subdivision and Brazeau Subdivision of the Canadian National Railway near Alix, Alta.

Opening for carriage of traffic portion of Easton Southwesterly Branch from

Mile 29.7 to 34.75, province of Saskatchewan.

Opening for the carriage of traffic third track of the Canadian National Railway between Gerrard street and Danforth yard, Toronto, Ont.

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Opening for traffic portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway from Mile 76.25 at Lloydminster, to mile 117.0 at Clandonald, province of Alberta.

Opening for traffic portion of the Cardston Northwesterly Branch of the Canadian Pacific Railway from Cardston, Mile 0, to Glenwoodville, at Mile 28.2.

Opening for traffic a portion of the Moose Jaw Southwesterly Branch of the Canadian Pacific Railway for the carriage of traffic from Mile 67.46 to 80.93, province of Saskatchewan.

Opening for traffic portion of the Bromhead Westerly Branch of the Canadian Pacific Railway from Mile 0 to 26.31, including west leg of the wye,

province of Saskatchewan.

Opening for traffic portion of second track of the Canadian Pacific Railway

from Mile 88.34 to 114.54, Keewatin Subdivision, province of Manitoba.

Opening for traffic portion of the St. Paul Southeasterly Branch of the Canadian National Railway from Junction with the Coronada Subdivision, Canadian National Railway, at Mile 120.65, St. Paul, Alberta.

Opening for traffic portion of the Montreal Tramways System known as the Terminal Railway, extending from Lasalle avenue, Montreal, to its terminus at

Bout de L'Isle, P.Q., a distance of 10.76 miles more or less.

Opening for traffic portion of the Grand Trunk Pacific Railway from Obed, Alta., at Mile 35.13, Brule Subdivision, westerly to a point near Dyke, a distance of 25.97 miles, and also a new connection 3.97 miles long to a point on the Canadian Northern Alberta Railway near Solomon, Alta., a total distance of 29.94 miles.

Opening for traffic portion of the revised location of the Toronto Viaduct

in city of Toronto, province of Ontario.

Opening for traffic portion of the Nipissing Central Railway from Cheminis, Mile 32.3, in the township of McGorry, province of Ontario, to Rouyn, Mile 58.7, in the township of Rouyn, province of Quebec.

Opening for carriage of traffic portion of the revised location of the Toronto

Viaduct east of the Don, Toronto, Ont.

Opening for carriage of traffic portion of line of the Canadian National Railway from St. Felicien-Dolbeau, county of Lake St. John, province of Quebec, Mile 0 to 26.6.

Opening for carriage of traffic that portion of the Loverna Southwesterly Branch of the Canadian National Railway from Mile 104.06, Dodsland to

Kamaruka, Mile 154.06, province of Alberta.

Opening for carriage of traffic portion of the Niagara, St. Catharines and Toronto Railway from Victoria avenue to the River road, at Niagara Falls, Ont.

Opening for carriage of traffic the Turtleford Southeasterly Branch from the junction with the Turtleford Subdivision of the Canadian National Railway to Rabbit Lake, Sask., a distance of 65.5 miles; also the north leg of the wye at said junction, a distance of 0.24 miles.

SUBWAYS

Widening of subway under tracks of Canadian Pacific Railway on Portage avenue, Winnipeg, Man., known as St. James subway, to permit of construction of additional street railway track through same.

Construction of subway and retaining wall at John and Fleet streets, Tor-

onto, Ont., by the Canadian National Railways.

Three mine entries for the North American Collieries, Limited, under the Canadian Pacific Railway in section 19, township 53, range 7, W. 5 meridian province of Alberta.

Construction of subway under the Intercolonial Railway at Mile 97.4

Matapedia Subdivision at Little Metis, province of Quebec.

Extending of 109th street, Edmonton, across the tracks of the Canadian National Railways by means of a subway.

Details of mat foundation for a portion of the Parliament street subway,

Toronto viaduct, by the Toronto Terminals Railway.

Construction of a subway at the crossing of the Canadian Pacific Railway by the Yale-Cariboo road near Lytton, B.C.

Construction of a tunnel under the tracks of the Edmonton Dunvegan and British Columbia Railway by Findley MacDonald at Nanao, Alta.

OPERATION OF BRIDGES

Operation of bridge across Sturgeon river at Mile 117-69, Fort Frances Subdivision, Canadian National Railways.

Operation of bridges Nos. 90.77 and 91.19 Montreal-Ottawa Subdivision at

Ottawa, Ont., known as the Prince of Wales bridges.

Operation of bridge at Hurontario street, Cooksville, Ont., by the Canadian

Pacific Railway.

Operation of bridge carrying tracks of the Niagara, St. Catharines and Toronto Railway over tracks of Michigan Central Railroad on New street, Niagara Falls, Ont.

Operation of overhead bridge at Clementsport, N.S., by the Dominion

Atlantic Railway.

Operation of Bridge 23.56, at Jordantown Road Subway, Yarmouth Subdivision, province of Nova Scotia, by the Dominion Atlantic Railway.

Operation of trains over the International Bridge between Black Rock,

New York state, and Bridgeburg, Ont.

Operation of bridge over the Sydenham river at Owen Sount, Ont., by the Canadian National Railway.

RAILWAY GRADE CROSSING FUND

Contribution of forty per cent of cost of constructing overhead crossing over Canadian Pacific Railway by the Department of Public Works of British Columbia, at mileage 88.88, Boundary Subdivision.

Contribution of forty per cent of cost of installing wigwag signal at cross-

ing of Main street, Lancaster, Ont., by Canadian National Railways.

Contribution of forty per cent of cost of installation of gates at crossing of

Gouin boulevard, Montreal.

Contribution of forty per cent of cost of removal of obstructions to view at first crossing west of Carp station, Ont., and purchase of land for establishing sight lines.

Contribution of forty per cent of cost of installing additional bell and wig-

wag at crossing of Kingston road near West Hill, Ont.

Contribution of forty per cent of cost of installing electric bell and wigway at crossing of Howard avenue, Windsor, Ont., by the Essex Terminal Railway.

Contribution of forty per cent of cost of diverting New street, Niagara Falls.

Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of road diversion at Mile 71.17, west of Revelstoke, B.C., 2,150 feet north of Tappen station, over the Canadian Pacific Railway.

Contribution of forty per cent of cost of road diversions and elimination of our grade crossings between and at Mile 43.9 and 44.2, and between Mile 4.7 and 45.0 of the Yarmouth Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigvag at highway crossing at Mile 58.39, Three Rivers Subdivision, Canadian 'acific Railway, about one-half mile east of Maskinonge station. 62863-291

Contribution of forty per cent of cost of installation of electric bell and wigwag at highway crossing immediately west of Afton Station. N.S., at Mile 100, Mulgrove Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing electric bells and wig-

wags at crossing of Robinson and Victoria streets, Moneton, N.B.

Contribution of forty per cent of cost of installation of wigwag at highway crossing 300 feet east of Ernestown Station, on the Canadian National Rail-Wavs.

Contribution of forty per cent of cost of installing automatic bell and wigwag signal at crossing of Main street, Cobden, Ont., by the Canadian Pacific Railway.

Contribution of forty per cent of cost of installing wigwag signal at crossing

of highway at Martinon Station, N.B., by the Canadian Pacific Railway.

Contribution of forty per cent of cost of diverting Hope-Yale Section of the Cariboo road between Mile 28 and 29, British Columbia.

Contribution of forty per cent of cost of diverting the Hope-Yale Section of the Cariboo road between Mile 34 and 34.4, British Columbia.

Contribution of forty per cent of cost of diverting the Hope-Yale Section of

the Cariboo road between mileage 32 and 33, British Columbia.

Contribution of forty per cent of cost of diverting the Hope-Yale Section of the Cariboo road between mileage 36.54 and 36.9, British Columbia.

Contribution of forty per cent of cost of diverting public road (West Trans-

provincial Highway No. 1), near Swansea, B.C.

t ontribution of forty per cent of cost of installing wigwag signal in addition to electric bell at crossing of Brock street, Uxbridge, Ont., by Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at highway crossing at Mile 24.96 Springhill Subdivision, Canadian

National Railways, province of Nova Scotia.

Contribution of forty per cent of cost of annual expenditure in connection with Toronto Viaduct, between Bathurst street and Eastern avenue, Toronto, Ont., not exceeding the sum of one hundred and fifty thousand dollars.

Contribution of forty per cent of cost of installation of wigway signal at

crossing of King street, Ingersoll, Ont., by the Canadian Pacific Railway.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of highway at Memramcook, N.B., at Mile 105.63, Springhill Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of highway at Humphrey, N.B., at Mile 122.79, Springhill Sub-

division, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at highway crossing at Causapscal, Mile 47:83, Matapedia Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at highway crossing at Amqui, P.Q., Mile 60.67, Matapedia Subdivision.

Canadian National Railways.

Contribution of forty per cent of the cost of installing automatic bell and wigwag at highway crossing at Trois Pistoles, P.Q., at Mile 56.50, Rimouski Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing gates at Gilbert's Lane Crossing, St. John, N.B., at Mile 88:37, Sussex Subdivision, Canadian National

Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at highway crossing at Sydney River, N.S., by the Canadian National Railwavs.

Contribution of forty per cent of cost of installing an automatic electric bell and wigwag at highway crossing at Milfort, N.S., by the Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of St. Pierre road, city of Charlottetown, P.E.I., by the Cana-

dian National Railways.

Contribution of forty per cent of cost of installing automatic crossing bell at junction of University avenue and Waterloo road. Fredericton, N.B., by

Canadian National Railways.

Contribution of forty per cent of cost of diverting road allowance between sections 26 and 27, township 49, range 20, west 3rd meridian, by the Canadian National Railways; through section 26, and across the railway at right angles.

Contribution of forty per cent of the cost of installing alternate flashing lights at crossing of the March road, Mile 6.39 Chalk River Subdivision, Cana-

dian Pacific Railway.

Contribution of forty per cent of cost of installing wigwag signal in addition to bell at crossing of Bouthillier street, St. Johns, P.Q., by the Canadian

National Railways.

Contribution of forty per cent of cost of overhead crossing of the Canadian Pacific Railway where the Brock road crosses the double track of the Canadian Pacific Railway at Puslinch, Ont.

Contribution of forty per cent of cost of subway, under Canadian Pacific

Railway, on the Yale-Cariboo road near Lytton, B.C.

Contribution of forty per cent of cost of installing double automatic bells and wigwags at crossing of Victoria street. Stevensville, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of removal of obstructions to view at crossing of highway by the Feeder Siding of the Canadian National Railways, between lots 5 and 6, township of Wainfleet, Ont.

Contribution of forty per cent of cost of diverting highway and eliminating grade crossing at Mile 69.6, Springhill Subdivision. Canadian National Rail-

wavs.

Contribution of forty per cent of cost of reconstructing subway and diverting highway by the Canadian National Railways, in lot 10, concession 1, tewnship of Huntley, Ont.

Contribution of forty per cent of cost of installing automatic bell and wigwag signal at crossing of Church street, Pointe au Pic, P.Q., by Canadian

National Railways.

Contribution of forty per cent of cost of installing automatic bells and wigwags at crossing of the highway by the Michigan Central Railroad, three miles east of Canfield Junction, Ont.

Contribution of forty per cent of cost of diverting highway, in S.W. 1 section 28, township 22, range 6. W. 2 meridian, at Melville, Sask., by the Canadian National Railways.

Contribution of forty per cent of cost of removing brush and earth embankments at intersection of Yale road and Water street, Hope, B.C., by the Canadian National Railways.

Contribution of forty per cent of cost of removing obstructions to view at crossing of Blossom avenue, Cainsville, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of Lincoln road in township of Walkerville, Ont.

Contribution of forty per cent of cost of installing wigwag signal at high-

way crossing north of Scotia, Ont., by the Canadian National Railways.

Contribution of forty per cent of cost of installing two automatic bells and wigwags at crossing of Walker road in the township of Walkerville. Ont., by Essex Terminal Railway.

Contribution of forty per cent of cost of installing electric bell and wigwag signals at second crossing west of Brookfield station, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installation of two electric bells and wigwags on the two main line tracks at the crossing of Winnipeg street,

Regina, Sask., by Canadian Pacific Railway.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of Kildare road, Walkerville, Ont., by the Essex Terminal Railway.

Contribution of forty per cent of cost of improvement in view at crossing of La Bataille road at Mile 16.74, Rouses Point Subdivision, Canadian National

Railways.

Contribution of forty per cent of cost of installing electric bell at crossing of Prefontaine street, Montreal, P.Q., by the Canadian National Railways.

Contribution of forty per cent of cost of removal of obstructions to view at crossing of Aberdeen street, Bridgewater, N.S., by the Chester Subdivision of the Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bells and wigwags at crossing of Prince Edward street, Brighton, Ont., by the Canadian

National Railways and Canadian Pacific Railway.

Contribution of forty per cent of cost of removal of obstructions to view at highway crossing at Mile 96.7, Renfrew Subdivision, Canadian National

Contribution of forty per cent of cost of installing two automatic bells and wigwags at crossing of Tecumseh road, Tecumseh, Ont., by the Canadian

National Railways.

Contribution of forty per cent of cost of constructing subway at crossing of highway known as the East York-Leaside Viaduct, by the Canadian Pacific Railway, not exceeding the sum of \$25,000.

Contribution of forty per cent of cost of instailing wigwag in addition to bell at crossing Queen street, Guelph, Ont., by the Canadian Pacific Railway.

EXPROPRIATION OF LAND

Expropriation of land by Montreal Harbour Commissioners between north side of St. Catherine street and north side of Lafontaine street, in city of Montreal, P.Q.

Expropriation of land for purpose of station grounds by the Canadian

Pacific Railway at Wessex, Alta.

Expropriation of land for purpose of constructing additional terminal facilities at Jonquiere, P.Q., by the Quebec and Lake St. John Railway.

Expropriation of land known as Rodney street, city of Montreal, P.Q.

by the Montreal Harbour Commissioners.

Expropriations of land by the Quebec and Lake St. John Railway in town of Jonquiere, P.Q., for purpose of additional track facilities.

DRAINAGE

Deepening and cleaning out of ditch along the fence line between Canadian National Railway and Mrs. E. Rock's property, township of Nepean, province of Ontario.

Construction of Municipal Drain No. 23, township of Minto, province of

Ontario, under the Canadian National Railway.

Construction of the Shafley drain under the track of the Michigan Centra Railroad in lot 41, concession 6, township of Wainfleet, province of Ontario.

Cleaning out of ditch along right of way by the Canadian National Railway in the rural municipality of Ray. Alta.

HIGHWAY CROSSINGS AND DIVERSIONS

In connection with the approval of location plans, a large number of highway crossing and highway diversion plans were approved. In all about 633 highway crossings and 83 highway diversions were approved, and 105 highway crossings closed, as follows:-

HIGHWAY CROSSINGS

British Columbia.	
British Columbia. 23 6	Approved Diverted Closed
Alberta. 92 21 Saskatchewan 92 21 Saskatchewan 375 33 Manitoba 87 12 Ontario 1110 5 Quebec 42 1 Maritime Provinces 42 5	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

INDUSTRIAL SPURS

Authority was granted for the construction of 216 industrial spurs, varying in length from a few hundred feet to six miles, as follows:-

British Columb	100	• • • •	 	٠.	• •	٠.	 	٠.			 		٠.	٠.	 ٠.	٠.		 	٠.	٠.			- 1
baskatchewan																							
manitoda																							
Ontario Quebec																							1
Maritime Provi	nces		 						 	 	 				 		 	 	 				ľ

TELEPHONE AGREEMENTS

The Board's Electrical Engineer has checked over and passed upon one hundred and thirty-three agreements, covering connections between rural telephone companies and the Bell Telephone Company.

BRIDGES

Authority was granted for the construction or reconstruction of fifty-six bridges throughout the country and inspections were made of twenty-eight new or reconstructed bridges and authority granted for use of same.

MISCELLANEOUS

Eighty-five crossings of railways by power transmission lines were passed upon by the Board's Electrical Engineer.

Twenty-three cases of reduced clearances of structures at railway sidings were allowed by the Board's engineers.

Some fifty cases of exemption from erecting fences, gates and cattle guards

were examined and exemption granted.

In addition to the above many other matters have been dealt with by the Board's engineers, such as the inspection of railways out of repair, investigation of accidents, removal of speed limitations, removal of industrial spurs, speed estriction of trains through junctions, protection of switches on spurs leading o industries, farm crossing complaints, inductive interference, and protection at crossings of telephone and telegraph lines by power transmission lines.

APPENDIX "D"

REPORT OF THE CHIEF OPERATING OFFICER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1927

A. D. CARTWRIGHT, Esq., Secretary, B.R.C., Building. February 14, 1928.

Dear Sir.—In compliance with section 31 of the Railway Act of 1919, the annual report of the Chief Operating Officer, covering the work of the Operating Department of the Board during the fiscal year ending December 31, 1927, is respectfully submitted in quadruplicate.

REPORTING AND INVESTIGATING ACCIDENTS ATTENDED BY PERSONAL INJURY OR LOSS OF LIFE

During the year there were 2,862 accidents reported to the Board by the various railway companies subject to its jurisdiction, involving 3,444 casualties, of which number 353 persons were killed and 3,091 persons injured. For particulars see statements Nos. 1, 3 and 4.

The comparative statements Nos. 2, 5 and 6, of killed and injured, show a

decrease of 76 persons killed and an increase of 471 persons injured.

Out of the total of 2,862 accidents so reported, 1,389 were investigated, covering 243 persons killed, and 1,681 injured. Detailed statements Nos. 7, 8, 9 and 10 set out the investigations made in connection with collisions, derailments, highway crossing accidents, and accidents to employees while working on or under engines. These four statements show a total of 488 investigations covering 138 persons killed and 816 injured. The remainder of 901 investigations cover 105 persons killed and 865 injured, and are spread over accidents covered by the various headings referred to in 10,000 and 10,000.

It will be observed that out of a total of 2,862 accidents and 3.444 casualties during the fiscal year, there were 121 trespassers killed and 131 injured. In this connection reference is made to statement No. 16, showing by railways and

provinces, the number killed and injured.

The matter of highway crossing accidents, protection provided, etc., is dealt with in detail statements Nos. 3, 4, 5, 9, 11, 12, 13, 14 and 15.

INSPECTION OF SAFETY APPLIANCES—CAR EQUIPMENT

The work coming within this category is largely carried on under the provisions of section 298 of the Railway Act and General Order No. 102; a reprint of the latter having been made during the fiscal year ending December 31, 1923, embodying all the amendments to date. The work performed by the department in this connection will be found in detail statements Nos. 19, 20, 21A and 21B. The inspection of 90.561 freight cars, it will be readily understood, involves considerable time and labour, both on the ground and in the office at head-quarters, where the work of recording, checking and filing of the numerous reports is carried on, and subsequent correspondence with the railway companies with a view to having the defects so reported, remedied as promptly as possible.

The inspection of 90.561 cars above referred to revealed 4,547 defective cars

(5.02 per cent) with defects totalling 4,966.

A total number of 1,825 passenger cars were inspected, with defects totalling 120.

INSPECTION OF MOTIVE POWER

This division of the work is carried on under sections 298, 299, 300 and 301 of the Act, and the Board's General Orders Nos. 12, 31, 66, 78, 102, 131, 171, 199, 226, 289, 293, 302, 362, 379, 385, 389, 394, 402, 403, 404, 415, 423, 424 and 428. A total of 12,783 locomotives were inspected during the fiscal year, the total number of defective engines being 499 (3.90 per cent), with defects numbering 712. For details see statement No. 22.

Under General Order No. 78, the so-called "Locomotive Boiler Inspection Order," 67,418 report forms of monthly and annual inspections, covering 5,592 engines, were filed, checked, recorded and necessary action taken with the railway companies concerning such reports as were found to be inaccurate, and also

with respect to violation of the regulations.

STATIONARY BOILERS

Under General Order No. 330, the so-called "Stationary Boiler Inspection Order," 4,197 report forms of semi-annual and annual inspections, covering 2,152 boilers, were filed, checked, recorded and necessary action taken with regard to compliance with the regulations.

The checking and recording of the above-mentioned locomotive and stationary boiler forms and reports, together with the necessary correspondence in

connection therewith, naturally creates an extensive line of work.

INSPECTION OF PASSENGER EQUIPMENT, STATION BUILDINGS AND PREMISES

This work comprises features of safety, cleanliness, accommodation, etc. A large number of matters have been brought to the attention of the proper officials with beneficial results.

APPLICATIONS AND COMPLAINTS re TRAIN AND STATION SERVICE, HIGHWAY CROSSING PROTECTION, STATION LOCATIONS, CAR SUPPLY, ETC.

The work under this heading covers a wide range of subjects, and entails, in many instances, a considerable amount of inquiry and research. During the year complaints and applications numbering 1,150 were inquired into and reported upon.

In conclusion it might be stated that in order to accomplish the work briefly outlined in the foregoing, it has necessitated the travelling of 351,480 miles by

the staff of this department.

No. 1.—Statement Showing Number of Passengers, Employees and Others Killed and Injured on Railways Under the Board's Jurisdiction, for Year Ending December 31, 1927.

				1		1		,	
	Name of Railway	Passe	engers	Emp	loyees	Otl	hers	To	tal
		Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Car	adian National	3	218	49	1,219	113	326	165	1,763
Que	adian Pacific. bec Oriental.		158	45	731	94 2	225	148	1,114
	tral Vermont					2	1	2	1
Que	bec Central				1		9		1
Nia	gara. St. Catharines & Toronto					2	2 7	3	$\frac{2}{7}$
Ket	tle Valley		1		8 17	1 1	3 4	1	12 22
	onto, Hamilton & Buffalo at Northern				11 6	1	9 3	2	20

No. 1.—Statement Showing Number of Passengers, Employees and Others Killed and Injured on Railways Under the Board's Jurisdiction, for Year Ending December 31, 1927—Concluded.

	Passe	ngers	Empl	oyees	Oth	ers	То	tal
Name of Railway	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Esquimalt & Nanaimo. Michigan Central. Père Marquette. New York Central. Edmonton, Dunvegan & British Columbia. Grand River. Windsor, Essex & Lake Shore. Fredericton & Grand Lake Coal & Railway. Dominion Atlantic Hamilton Radial Electric. Montreal & Southern Counties. London & Port Stanley.		1	1	3 1	1 1	2 3	12 3 1 1 1 1 2	15 52 10 12 3 4 3 1 5 4 3 3
Lake Erie & Northern. Napierville Jct. Quebec Railway, Light & Power. Oshawa Railway Co. Algoma ('entral & Hudson Bay			1	1 1		2 2 2 1	3	1 3 2 1
	13					658	353	3,091

No. 2.—Comparative Statement of Killed and Injured Between Year Ending December 31, 1926, and Year Ending December 31, 1927

	Passe	ngers	Empl	oyees	Oth	ers	То	tal
1926–1927	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
1926 1927	13 13	329 382	132 101	1,727 2,051	284 239	564 658	429 353	2,620 3,091
Increase		53		324		94		471
Decrease			31		45		76	

No. 3.—Statement Showing Separately the Number of Passengers, Employees and Others, Killed and Injured, and the Nature of the Accidents, for the Year Ending December 31, 1927.

	Pass	engers	Emp	oloyees	Oth	ners	1	l'otal
Character of Accidents	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Derailment. Collision, head-on Collision, rear-end Collision in yard Collision with cars standing foul Collision with cars account open switch. Collision at level (diamond) crossing. Public highway crossing protected by gates.	5			75 33 16 41 2	5	19	15 12 4	118 129 21 49 2 2 19
Public highway crossing protected by bell					. 16	45	16	48

No. 3.—Statement Showing Separately the Number of Passengers, Employees and Others, Killed and Injured, and the Nature of the Accidents, for the Year Ending December 31, 1927—Concluded.

	7	1, 1021		ruaea.				
Character of Accidents	Pass	engers	Emp	loyees	O	thers	Т	otal
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Public highway crossing protected								
by watchman. Public highway crossing unprotected.	-1		1			21		21
I fivate crossing	1		1	26	79	320 27	79	346 28
Trespassing. Working on or under engine.	E .	1		203	121	131	121	131
Adjusting couplers, coupling and		132	1	515		23	i	203 670
Run down by engine or car between			5	93			5	93
Falling off hand car, motor or	1		5	7	1	4	6	11
velocipede	1		5	215		4	5	219
Hand car, motor or velocipede struck by train			13	37			13	
Passing between cars between			1	2		1	1	3
Struck by switch stand water				2	1		1	2
Crushed between cars and build-			2	27			2	27
Explosion of locomotive boiler			2	10			2	10
ralling off tender while handling		17	1	5		7	1 3	13 22
coar	• • • • • • • •			3				3
Falling off tender while taking water. Sideswipe. Riding on pilot or footboard of		2		6 14				6 16
engine Overhead obstruction. Falling off top of cor			1	67			1	67
Falling off top of car Falling between cars Application of air-brake			4	50				6 52
Application of air-brake.		17	4	13			4	13
Attempt to board train in motion	4	40	1	63	1	$\begin{bmatrix} 2\\4 \end{bmatrix}$	6	154 110
Washout. Bridge give way or destroyed by		21	2 3	41 12	1	2	4 3	64 12
fireRun down by engine or cars at sta-			3 .				3 .	12
tions or in yards	1	3	21	67	1	12	23	82
Caught by engine or car while throwing switch.				1				
Falling off side and end ladders of cars.			3	50			3	1
brake				91		1		50
Loading and unloading OCS	• • • • • • • • • •			28				92 28
Staking or poling cars.				47 .				47
unloaded				4				2
on running track when moved			1	3		10	1	19
Coupling and uncoupling base and							1	3 1
			1	29			1	29
	13	382	101	2,051	239	658	353	3,091

No. 4.—Statement Showing Character of Accidents and Number of Persons Killed and Injured on Railways Under the Jurisdiction of the Board, for Year Ending December 31, 1927.

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		Derailment. Collision, head-on. Collision head-on. Collision with cars standing foul. Collision with cars standing foul. Collision with cars standing foul. Collision with cars account open switch. Public highway crossing protected by Ball. Public highway crossing protected by bell. Public highway crossing unprotected by Watchman. Working on or under engine. Crawling between cars between stations. Falling off hander while taking water. Sideswipe. Explosion of locomotive boiler. Falling off tender while taking water. Sideswipe. Application of air-brake. Jumping off train in motion. Varkenngt to board train in motion. Varkenngt to board train in motion.

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 tun down by engine or cars at station or in yards. Caught by engine or car while throwing switch	Falling of side and end ladders of cars	Falling off car while working hand I	Handling freight and baggage.	adıng	Staking or poing cars.	III ST	Carmen Working on or under cars	wne	Chalming and unchaining cars	Coupling and uncoupling hose and tur			

Mumber of Persons, Killed and Injured on Railways Under the Juris-

and Number of Persons Killed and Injured on Kaliways Office and Year Ending December 31, 1927.—Continued	N.R. E.&N. M.C.R. P.M.R. N.Y.C. & G.R.R. & G.R.R. & G.L.C. B.C. B.C.	1. K. I.	
No. 4 STATEMENT Showing Character of Accidents and Number of Perdino. 4 Statement Showing Character of the Board, for Year Ending December 1.	G.N.R.	1.1	
	T.H. T.H. &	K. I. K.	ol ——ol∞∞ — ol
			Derailment Collision, read-on. Collision in yard. Collision with cars standing foul. Collision with cars standing foul. Collision with cars account open switch. Collision at level (diamond) crossing. Public highway crossing protected by bell. Public highway crossing protected by watchman. Public highway crossing protected by watchman. Public highway crossing protected by watchman. Public highway crossing unprotected. Trespassing. Working on or under engine. Morking on or under engine. Morking on or under engine. Adjusting couplers, coupling and uncoupling. Run down by engine or car between stations. Falling off hand car, motor or velocipede struck by train. Crawling between cars over couplers. Passing between cars over couplers. Struck by switch stand, water spout, mail crane, etc. Falling off tender while handling coal. Falling off tender while handling coal. Falling off tender while handling coal. Falling off tender while taking water. Sideswipe. Riding on pilot or footboard of engine. Overhead obstruction. Falling between cars. Application of air-brake. Application of air-brake. Attempt to board train in motion. Washout. Washout in war or destroyed by fire.

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Caught by engine or our while therein	Falling off side and end ladders of cars	Falling off car while working hand brake	Handling freight and baggage.			Cars moved while being loaded or unloaded	Carmen working on or under care	moved, moved, many cans on fullilling track when	Chaining and unchaining cars	Coupling and uncoupling hose and turning angle and				

No. 4.—Statement Showing Character of Accidents and Number of Persons Killed and Injured on Railways Under the Juris-diction of the Board, for Year Ending December 31, 1927.—Concluded

Total	K. 1.	21. 24
A.C. & H.B.	K. I.	
Oshawa	К. І.	
Q.R.L. & P.	K. I.	
N.J.R.	K. 1.	
&L N.E	K. I.	
S.S.	K. 1.	
M. & S.C.	K. I.	
H.R.E.	K. [.	
D.A.R.	K. I.	
		Derailment. Collision, head-on. Collision, head-on. Collision in yard. Collision with cars standing foul. Collision with cars standing foul. Collision with cars account open switch. Collision with cars account open switch. Collision with cars account open switch. Public highway crossing protected by bell. Public highway crossing protected by bell. Private crossing. Trespussing. Miscellaneous. Adjusting couplers, coupling and uncoupling. Falling off hand car, motor or velocipede struck by train. Crawling between cars between cars between capulers. Passing between cars, buildings, lumber pile, platforms, etc. Explosion of focomotive boiler. Salawipe. Falling off tender while taking water. Falling off tender while taking water. Falling off tender while taking water. Falling off too focar. Authempt to board train in motion. Masklout. Wasklout.

822	-	50	92	28	47	23	19	00) 	29		3,091
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Kun down by engine or cars at station or in yard. Caught by engine or car while throwing switch.	Falling off side and end ladders of cars	Falling off car while working hand brake.	Handling freight and baggage.	Loading and unloading O.C.S. material	Making or poling cars	nloaded	(armen working on or under cars on running track when moved.	(naming and unchaining cars.	ning angle cock.			

62863-30

No. 5.—Comparative Statement in Totals of Killed and Injured by Class of Accident, Between Year Ending December 31, 1926, and Year Ending December 31, 1927.

	192	26	192	7	Incre	ease	Decr	ease
	К.	1.	K.	К.	1.	K.	I.	
	10	149	15	118	5			31
Ocrailmentollision, head-on	15	. 14	12	129		115	3	
ollision rear-end	6	40	4				2	19
ollision in yard	4	57		49		2	-*	
ollision with cars standing foul.				2		2		
Collision at level (diamond) crossing		1		19		18		
Public highway crossing protected by gates	7 21	20 65		13 45			5	20
ublic highway crossing protected by bellublic highway crossing protected by watchman	1	9		21		12	1	
ublic highway crossing protected by waterman ublic highway crossing unprotected	100	276	79	346		70	21	
rivate crossing	15	31	9				6	3
respassing	123	113 160		131		18 43	2	
orking on or under engine.	6	559		670		111	5	
diusting couplers, coupling and uncoupling	8	82		93		11	3	
lun down by engine or car between stations	12	3 194		219		8 25	3	
alling off hand car, motor or velocipede	8 20	30		37		7	7	
rawling between cars over couplers	3	3	1	3			2	
assing between cars between couplers	2	5		2			1	1
truck by car standing foul	1	12					1	1.
truck by switch stand, water spout, mail crane		25	5 2	27	2	2		
etc				1.0		1		
form, etc	1		2	10 13		10		
Explosion of locomotive boiler	4	1	7 3	22		15		
Talling off tender while handling coal		(3	3				
Falling off tender while taking water		1 2	2	. 16		4		
ideswipe	7	11		67		18		
Riding on pilot or footboard of engine		- 3	- 1	E	1			
Overhead obstruction Calling off top of car Calling between cars	1	3		52	1	3	1 .	
Falling between cars		14:		13 154		11		
Application of air-brakeumping off train in motion	1 8	8		110		29		2
Attempt to board train in motion		7		64		:	2	2 1
Vashout		1		13		3		
Bridge give way or destroyed by fire	26	6		82	· · ·	19	9	3
Run down by engine or cars at station or in yard Passing too close around end of string of cars	-	1	1					
aught by engine or car while throwing switch		1	4	1				1
Falling off side and end ladders of cars		5	8	50		1	1	1
Falling off car while working hand brake Handling freight and baggage		3		28				
Loading and unloading O.C.S. material			1	4	7			
Staking or poling cars				1	2	1	3	
Cars moved while being loaded or unloaded Carmen working on or under cars on running trac	le		U	1		1		
when moved			1 1		3	1	2	
Chaining and unchaining cars			1		1			
Coupling and uncoupling hose and turning angle coc		2 2	27 1	2	9		4	1
orbing and an orbing and a second a second and a second a			1					- America

	K.	I.
.926	429	2,620
927	353	3,091
Increase		471
Dogranso	76	

No. 6.—Comparative Statement in Totals of Killed and Injured Between Year Ending December 31, 1926, and Year Ending December 31, 1927

70.00	19	926	1	927	Ino	rease	1	
Railway	TZ		-		-		_ De	crease
	K.	I.	K.	I.	K.	I.	K.	I.
Canadian National								
Canadian Facility	223					32	9 5	8
Quebec Offenial	156	993				12	1	8
Brantford & Lamilton Electric			2		2		2	
Central vermont		1	1 2	1	2			
minimum naniway of Manitoha				I			1	
guenec Central.		1		1				
Lake Louise Tramline			1	9			3 2	2
Allagala, DL. Catharines of Loronto	1		9	2			2	
guebec, Wontreal & Southern	1	Ω	1	12	2		(
Mettle vallev	6	9.	1	22	-	1 4		
2 OI OHO, I BIH HOH W. BIH SIO	1	17		20		13		
Great Northern	2	13	9	9		é)	
ESQUIII all V. Nanaimo	2	5		15		1/		
	20	66	12	52		10	8	1 ;
	1	12	3	10	9		8	1
TOW TOLK CERTINA	1	8	1	12				1
		1	1	3	1	9		
Grand River	2	5	1	4				1
		2	2	3	2	1	1	
Fredericton & Grand Lake Coal & Railway		1		1				
Dominion Atlantic. Familton Radial Electric	3	4	1	5		1	2	
Hamilton Radial Electric. Montreal & Southern Counties.		3	1	4	1	î	2	
London & Port Stanley	1	10		3			1	7
Lake Erie & Northern.		12	2	3	2			,
Napierville Junction.		3		6		3		
Quebec Railway Light & Power.	1	4	1	1				3
Jonawa Manway Company	1	3 .		3			1	
		1		2		1		
assex Lerminal		2	3	1	3			1
	2 .						2	
auti Electric	2 .						2	
Algoma Eastern.		1.						1
							1	
	i	2,620	353	2 001	10	F10		
	420	2,020	900	3,091	18	513	94	42

	K.	I.
1926		2,620
1921	353	3,091
Increase. Decrease	76	471

No. 7.—Statement Showing Collisions Attended by Personal Injury, Investigated During the Year Ending December 31, 1927

Inv. File	Date	Railway	Place	Kil- led	In- jured
40044	Nov. 4	C.N.R	Farlane, Ont	5	
18041	21011	C.P.R	D Ct off Mon	1	
18057		C.N.R	Cuilfond D C		
18064 18068	Oct. 30 Nov. 30	C.P.R	Moose law Sask		
18081	Dec. 16.	C.N.R	Winnings Mon		
18087	Nov. 29.	C.P.R	D-stone le Projrie Man		
18094	Nov. 26.	C.P.R	Moose Taw Sask	1	
18101	Dec. 11.	. C.P.R	Airdrie, Alta. Fenwood, Sask.		
18103	Dec. 13.	C.N.R	Fenwood, Sask		
18105	Jan. 1.	C.N.R	Turcot, Que. (Montreal)		
18106	Dec. 4.	. C.P.R	Medicine Hat, Alta		
18122	Nov. 26.	. C.N.R	Atikokan, Ont		
18135	Dec. 24.	. C.N.R	Oban, Sask		
18162	Dec. 29.	. C.P.R	Lethbridge, Aita. Jonquiere, Que		
18178	Jan. 6.	. C.N.R	Jonquiere, Que	1	
18190	Jan. 31.	C. N. R	Thomson, N.S. Windsor, Ont		
18192	Jan. 9.				
18194	Jan. 8.		Welland Jct., Ont.		
18225	Jan. 21.	. C.N.R	Watrous, Sask.		
18240	Jan. 15.	. C.X.R	Ottown Ont		ł
18243	deb. 24.	(D D	Ottawa, Ont Calgary, Alta.		-
18254	Feb. 14.	C.P.R	Drandon Man		
18283	Jan. 5.	COTT	[Common of the common of the c	1	
18284	Feb. 8. Feb. 11.	CPR	Cauthier Man		
18303 18313	Feb. 20.				
18355	Mar. 23.	C.P.R	Puthorglan Ont		
18430	Mar. 11.	C.N.R			
18462	April 9	C.P.R	Tabor Subdivision Mileage 15 Alta	_ Z	
18470	Mar. 18.	C.N.R	124 Nigholas ()ue		
18582	May 19.	C.N.R	Sturmio Sack	1	1
18676	June 7	. [C.P.R	Algoma. Ont		
18699	June 24.	C.N.R	Paddington, Man.		
18866	July 7	C.N.R	Alger, Man.		
18879	Aug. 18	C.N.R	Cornwall Jet., Ont.		
18930	Aug. 5				
18938	Sept. 6		Clifton Jet., Ont.		
18940	Aug. 23		Mountain Subdivision, Mileage 41, B.C.	1	
18951	Aug. 1	C.P.R	Mokamik Que		
18959	Aug. 19 Sept. 1		Smilt Corport Suck		
18966 19000	Sept. 1	CNR	Elgin Road, Que		
19000	Sept. 26		Vinoland Ont		
15032	Sept. 7	C.P.R	The larmough Altra	2	
19071	June 23		Rig River Sask		
19101	Sept. 17	C.N.R	Gorm'ey, Ont	. 1	1
19194	Oct. 31	C.P.R	Bolkow, Ont	1	1
19216		C.N.R.	Brockville, Out		
19237	Nov. 9		. St. Ursule, Que	,	
19258	Oct. 29	C.P.R	Broadview, Sask	.1 6	1
19338			Dockrill, Ont	-	
19341	Sept. 24	C.N.R	Kinsella, Alta		
19351			Trois Pistoles Que		
19363	Nov. 12	C.N.R	1217 1 24		
19364	Nov. 7	C.F.R	Winnipeg, Man. Lanfine, Alta		
18296	Mar. 2	2 C.N.R	Lannne, Arta	-	
				21	

No. 8.—Statement Showing Derailments Attended by Personal Injury, Investigated During the Year Ending December 31, 1927

			5		
Inv. File	Date	Railway	Place	Kil- led	In-
18093	Nov. 27.	OW C	0. 25.1.1.		
18100	Dec. 10.	C.N.R.	St. Madeleine, Que.		1
18108	Jan. 12		Leary's, Man. Maple Creek, B.C. Vancouver, B.C.		3
18116	Dec. 24	C.P.R			2
18127 18180	Dec. 2 Feb. 3	C.P.R. C.N.R.			1 20
18234	Jan. 6.	C.N.R	Beachville, Ont Montreal, Que Brandon, Man		3
18315	Feb. 10	C.N.R	Brandon, Man		1
18345	Mar. 23	C.N.R	Richwood, Ont., i mile west		1
18369 18381	Mar. 7 April 8	C.N.R	Hardy, Sask		4
18396	Mar. 4	C.N.R.	Nepisiguit Jet., N.B. Dartmouth Subdivision, mileage 32-9, N.S. Corning, Sask	1	2
18405	Mar. 29.	C.N.R	Corning, Sask.		1
18408	April 8	C.N.R	Dunrankin, Ont		1
18409 18476	April 19.	C.N.R	Taradale Station, Ont., 1 mile west		6
18529	May 15 Mar. 26	C.P.R C.N.R		3	1 20
18534	May 11	C.N.R.			2
18575	May 28				2 5
18580	May 6	C.N.R	Fort William, Ont. Sanitarium Spur, Harriney Subdivision, Man.		1
18596 18625	May 23 May 9				1
18637		C.N.R C.N.R	Kinmount, Ont., 1\frac{1}{4} miles south.		1
18653		C.N.R.	Kinmount, Ont., 1¼ miles south. Oyen Subdivision, mileage 167, Alta. Bradwell Sask		6
18752	July 7	C.N.R	Bradwell, Sask. Vilette, Man.		2
18800 18808		C.P.R	Vilette, Man. Cardston, Subdivision, mileage 39-5, Alta.		I.
18890		C.N.R C.N.R	Burlington Beach, Ont. Dartmouth Subdivision, mileage 13-15, N.S.		1
18950	Sept. 9	C.N.R.	Lansdowne Out 1 mile me et age 13-15, N.S		1
18956	July 27.	C.N.R.	Lansdowne, Ont., I mile west. Copper Creek, B.C. Makamik Subdivision, mileage 25, Que. Regina, Sask		1
18964	Aug. 14.	C.N.R.	Makamik Subdivision, mileage 25, Que		1
18972 18974	Aug. 31.				1
18986	Sept. 14.	C.P.R.	Moose Jaw, Sask.		1
18993	Aug. 18.	C.N.R	Buckley Canyon B C		1
19019	Sept. 21. 0	C.N.R	Gowanstown, Ont., 1 mile south Mountain Subdivision, mileage 54, B.C.		1
19025 19073		C.P.R	Mountain Subdivision, mileage 54, B.C.		1
19079		C.P.R	Woodman, Man.		î
19125	Oct. 14	C.N.R	Woodman, Man Rossland Subdivision, mileage 24, B.C. Riviere du Loup, Que.		ī
19148 19154	Sept. 23	C.N.R			1
19154					1 9
19228		C.P.R.	Montreal, Que. (Pt. St. Charles)	1	J
19248	Oct. 30	C.P.Rv	Flacier, B.C. Vilkie Subdivision, mileage 36, Sask.		1
19254	Nov. 12(1
19255 19263	Nov. 7 (Oct. 11 (1
19313	Dec. 6. C				1
19319	Nov. 17 (.N.R.	Respector Fact Ont 21 mile man		î
19330	Nov. 9 . ('.P.R I			4
19395 19396	Nov. 19C	.N.R			1
18532	Nov. 29 C Mar. 21 F				1
		P.R.	oquihalla Subdivision, mileage 138-8, B.C.		î
		1.	fardisty Subdivision, mileage 52.4, Sask		3
			annua.	16	130
				10	100

No. 9.—Statement Showing Highway Crossing Accidents Attended by Personal Injury. Investigated During Year Ending December 31, 1927

Remarks	Sign. 12 urban, thirs; sun Dish, 12 urban, thirs; sun Dish, 12 urban, terrelessues, solo (12 urban, totalessues, solo (13 urban, tot
Class of accident	Mario
Protec-	
' н	
H	- 01 . 00
Place	Den Dig Ora P no Street Wasston (1914) and Street Ray 2 Street Ray 2 Street Ray 3 Street Gargeria (2014) Angle Street Vern Son (2014) Angle Street Vern S
Railway	Caepoogoocache yoooooooooooooooooooooooooooooooooooo
Time	日
Date	
Board	THE TRANSPORT OF THE PROPERTY
Inv. File	######################################

	Dbbe; r.n. urban; bldgs; sdg. Sgle; r.a. rran; carelessness. Sgle; skew; rural; carelessness. Sgle; r.a. urban; sdg; carelessness.	Sgle.; r.a. urban, bldgs.; carelessness. Sgle.; r.a. urban. Sgle.; skew.; rural; carelessness.	Sgle.; r.a. rural, trees; carelessness. Sgle.; skew.; rural, h.g.; carelessness. Sgle.; r.a. urban; bldgs.; carelessness.	Dble.; r.a. urban; bldgs.; carelessness. Dble.; r.a. rural; carelessness.	Sgle. r.a. urban, bldgs.; carelessness.	Selection and an articlessness.	Sgle. r.a. urban, bldgs.; carelesaness.	Dole, r.a. urban, bldg.; carelessness.	Sgle.; r.a. urban; b.b.; carelessness.	Sgle.; r.a. urban; bldgs.; sdg.; Sgle.; skew; rural; carelessness	Sgle.; r.a. urban; sdg.;	Sgle.; r.a. rural; carelessness.	Sgle.; r.a. rural; bldgs.; carelessness. Sgle.; skew; urban; bldgs. eareleseness	Dble.; r.a urban; bldgs.; sdg.; carelessness.	Sgle.; skew; urban; bldgs.; sdg.; carelessness	Sgle.; r.a. rural; carelessness. Sgle.; r.a. urban; bldos ; caralosenos	Sele.; skew; urban; bldgs.; carelessness.	Sglo: r.a. urhan; carelessness.	Sgle.; r.a. urban; trees; carelessness, Sgle.; r.a. rural; rees; carelessness,	Sgle.; r.a. rural; carelessness.	Sole; r.a. rural; bidgs.; trees; carelessness.	Uble.; r.a. urban; sdg.; carelessness. Sgle.: r.a. rural; bldgs.; trees: carelessness	Sgle : r.a. urban.	Sgle.; r.a. rural; trees; carelessness.	Sgfe.; r.a. rural; trees; carelessness. Dble.; r.a. rural; bldg	Sgle.; r.a. urban; carelessness.	ogie., r.a. urban; bldgs.; carelessness. Dble.; r.a. urban; bldgs.	Sgle.; r.a. urban; trees. Sgle.; r.a. urban; careleseness	Dble; r.a. urban; carelessness.	Dble.; skew; rural; bldgs.; sdg. Dble.; r.a. rural; trees; carelessness.	Sgle.; r.a. rural; carelessness.
	Truck Auto. Auto. Ped.	Bus. Auto.	Sleigh Auto.	Auto.	Ped M Bus	Truck	Bus Auto.	Auto.	Auto.	Truck	Auto.	Auto.	Auto.	Auto. Truck	Auto.	Auto.	Auto.	Auto.	Ped.	Auto.	Auto.	Auto.	Auto.	futo.	Auto.	Auto.	Auto.	Auto. Truck	Auto.	Auto.	Auto.
	1 Unp. 2 Unp. 2 Unp. 1 Gates				3 ; ==	21	5 Unp. 1 Bell	1 Bell 1 Unp.	Cnp	6 Cmp	3 (Tap	1 Bell	1 ('np.	l (np.	1 Bell	S. Cap.	3 Chp.	2 Unp.	2 Unp	I (np.	3 Lap	2 Unp.	1 Cnp.	3 Unp.	2 Bell	Z ('np.	1 Unp	2 Unp.	1 Unp.	Cnp.	Z Unp.
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	Prototto, Ont., Kingsbury Ave. Walkerville Jet., Ont., west of station Craigmyle, Alta., M. P. 274, Dumheller Subd. Montreal East, One., Ontario Street. Montreal, Que., Desomeaux Street.	Nugara Fulls, Ont., Stanley Street. Guelph, Ont., York Road Lorraine, Ont., 1st crossing east.	Jonquiere, Que., Grande Baie-St. Bruno Highwa y Sault Ste, Marie, Ont., Onth Street London, Ont., Adelaide St.	oadway Crossing	Ont. miles north	Road 1st crossing east	market Square mercial Street	and Crossing	st of station	Ossing west.	ver Creek Road	g at station	Peterboro, Ont., George and Romaine Streets Dalhousie Mills, One 1st crossing and	sing west of station	Jourseville, Que., 2nd crossing east station	West of	rossing north	ng north	C. 2nd rossing east.	lst crossing south	al Hospital Crossing Street	Fossing east.	·3 miles east.	ssing at station	Brock Road	e Avo	ictoria Ave	sing wast	Int., Town line road	Ont., 3 miles east.	
E		Ciuclph, Ont., York Lorraine, Ont., 1st c	Jonquiere, Que., Gra Sault Ste. Marie, On London, Ont., Adelu	Fillsonburg, Ont., Bi	Cataraqui, Ont., 1-8	North Osbawa, Ont.	Berwick, N.S., Commercial Street.	Westholme, B.C., Island Cross	Cobden, Ont., just west of station.	Noodstock, Ont., Vanstittat Street	Guelph Jet., Ont., Silver Creek Road	Enfield, N.S., crossing at station	Peterboro, Ont., Geo Dalhousie Mills. One	Rigand, Que, 1st crossing west of station	Louiseville, Que., 2nd	Warren Station, Ont., west of Sault Ste Marie Ont Wellington State	Pinkerton, Ont., 2nd crossing north	Penticton, B.C., Calgary Ave	Wellington Station, B.C. 2nd rossing ea	Delson Station, Que., 1st crossing south	Wey ourn, Sask., Mental Hospital (London, Ont., Talbot Street	Camsville, Ont., 2nd crossing east North Battleford, Sask. Railway Ave	Innerkip Station, Ont., . 3 miles east	Cainsville, Ont., crossing at station.	Puslinch Station, Ont., Brock Road La Tuque, Que., St. Zenhirin Streat	Saskatoon, Sask., Lorne Ave	Streetsville, Ont., Victoria A.	West Toronto, Ont Oil City, Ont 1st crossing wast	Thamesville, Ont., To	Canheld Jet., Ont., 3 miles east Barlow Jet., Alta just north of	
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No. 9.—Statement Showing Highway Crossing Accidents Attended by Personal Injury, Investigated During Year Ending December 31, 1927—Continued

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No. 9.—Statement Showing Highway Crossing Accidents Attended by Personal Injury, Investigated During Year Ending December 31, 1927 -- Concluded

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Winnipeg, Man., McMallan Ave... hamesville, Ont., London Street algrave, cont., 1st crossing north Montread, Que, Versailles Street. St. Marys Jet., Bamsford Road ... Katemener, Ont., Gankol Street Allandade, Ont., 2 miles south Valois, Que., Valois Ave. Kelowna, B.C., Ellis Street Sitchener, Ont., Wilhelm Street everboro, Ont., Haggart Street. ... ondon, Ont., Clarence Street ... rockville, Oat., Abbott Street Monmouth Road Crossing, Ont. ngersoll, Ont., Thannes Street arma, Ont., London Road Place Edmonton, Mta., 102 Ave で 3mm Nation 2mm 3mm Nation CC もちも Nation 2mm Nation 2mm Nation 2mm Nation 2mm Nation 2mm Nation N 2.20 p Time 4.10k. S. 25p. 23.30k. 16.10k. 11-40k. 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No. 10.—Statement showing accidents to employees while working on or under engines, investigated during year ending December 31, 1927.

In-jured Kil. While getting in side cab window was caught by car on adjoining track Scalded when nut failed on joint between injector throttle and nigger Arm caught by board protruding from car on adjoining track. Struck head while getting out cab window to close chute.... Struck by boom at ash pit when on top of coal on tender. Burned while thawing out valve with coal oil and waste... Struck by crank pin when engine moved, when oiling. Phrown against water valve of tender while coupling. Passing from tender to cab, foot caught, causing fall Fell when getting out cab window to running board. Sealded by squirt hose which opened accidentally. Slipped when getting out of cab to running board Reverse lever slipped from hands, striking foot. aught between engine and pillar of coal chute. Slipped on ice at man-hole when taking water. Struck by hot oil from broken lubricator plug fand caught between cab casting and step... Slipped while climbing from cab to tender ... shaker bar came off when shaking grates.... 'ell from running board while locating leak. Phrown against boiler head while coupling. scalded when belly plate of engine opened. Scalded by hot water from hose sprinkler. Shaker bar slipped when shaking grates. Shaker bar slipped when shaking grates. Shaker bar slipped when shaking grates. ever flew back when reach rod broke. Slipped and fell when getting off engine Fell from engine while oilirg dynamo. Remarks Slipped when fastening side curtain. Slipped on ice while oiling engine. Slipped while getting off engine. Oynamo pipe in cab burst. ell off coal box of engine. scalded by squirt hose. Washout plug blew out ubricator glass broke. Water glass broke.... Water glass broke Water glass broke. Coquillalla Subdivision, mileage 139, B.C. Semple and East Selkirk, Man. between Marlead Subdivision, mileage 18, Alta. Pte. St. Charles, Que. (Montreat)..... avell and Kowkash, Out. between) Richard, Sask., I. miles enst..... Winnipog, Man. (Fort Rouge) Srussels, Ont., 12 miles south. Corento, Ont., Union Station. begama, Ont., coal chute. Place Rainy River, Ont ... Sorth Sydney, N.S. A hite River, Ont ... Mana, Ont. (West) West Janetion, Que. lirch Bank, B.C. Jalonnead, Vita almerston, Out. Blue River, B.C Jen Chats, B.C. sugary, Alta. sauretta, B.C. a shago, Out jondon, Oat Regina, Sask A ermon, B.C AVE. Chit Railway F.E. Milland S 10 Date Mar. Marr. Mar. May Mar. Mar.)ec. Mar 100 8389 一の十分 S362 Inv. File

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Noose Jaw, Sask Indian Head Subdivision, Mijeage 41, Susk, Thrown off engine when gas exploded, when in art of closing smocke. Rouyn Subdivision, mileage 15, Que Struck by Syphon pipe when leaning out of cab window Struck by supplied hose when injector opened Struck by car when leaning out of cab window. Thrown against door handle when engine lurched Struck by car when leaning out of cab window. Thrown against door handle when engine urched Water glass broke Fell from engine when removing markers. Belleville, Ont Fell from engine when it turned over. Fell between engine and tender when drawbar broke Struck by car when leaning out of cab window. Struck by car when leaning out of cab window. Struck by car when leaning out of cab window. Struck by car when leaning out of cab window. Struck by car when leaning out of cab window. Struck by steam from struck rock slide. Struck by steam from struck rock slide. Burned when engine when it turned over. Struck by steam from struck rock slide. Struck by bridge when standing on cab step adjusting valve. Water glass broke. Stake Wonish, Que. Statuck by bridge when standing on cab step adjusting valve.	
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No. 11.—Statement showing the number of highway crossing accidents, with the total number of killed and injured, by provinces, for year ending December 31, 1927

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No. 12.—Statement showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31, 1927

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	Nature of Protection	Sign post erected as mark to keep cars back 350 feet from street line. Speed limitation of 10 miles per hour. Speed limitation of morthwest corner. House removed in northwest angle of crossing. Speed limitation of 6 miles per hour. Sheds removed from southwest angle of crossing. Sheds removed from southwest angle of crossing. Member of train crew to act as flagman when train is standing on passing track. Wig-wag added to bell already installed. Buildings southwest angle removed. Day and night watchman throughout the year.	Show fence to be proceed for distance of eleven hundred feet. Highway crossing sign installed. Speed limitation of 10 miles per hour. Two large lights installed. Return fencing installed. Return fencing installed. Toolhouse northeast angle removed to a point 550 feet asst thereof. Speed limitation of 10 miles per hour. Doard fence replaced by wire fence.	Carries as Southwest content removed. Cars kept back 10 feet from street line. Cars kept back 10 feet from street line, speed limitation of 10 miles per hour. Electric bell and wig-wag installed. Electric bell and wig-wag installed. Electric bell and wig-wag installed. Speed limitation of 10 miles per hour. Wig-wag added to present bell; standing cars on siding kept back 150 feet from highway; all switching movements on siding over crossing to he december 150 miles her hour.	member of train crew. Removal and trimming of trees. of north approach cut down. Cedar hedge northeast corner trimmed to four feet in height.
707 (10 707)	Railway		CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC		
0	Location of Crossing	First crossing east of Alsask Stn., Sask. McTavish Street, Fort William, Ont. Crossing 1.2 miles east of Lisgar, Ont. Crossing at Brooklyn Station, N.S. Church Street, Pointe au Pic, Que. Crossing at Mull, Ont. Crossing 2.25 miles west of Kingsford Stn., Ont. Main Street, Grandview, Man. Main Street, Lancaster, Ont. Gouin Boulevard, Montreal, Que. Crossing at Street, Vancouver, B.C.			Second crossing west of Ruscomb, Ont. May Street, Port Arthur, Ont. Crossing west of Inkerman Stn., Ont.
	Order No.	38576 38607 38635 38635 38637 38642 38670 38670 38670 38671		38855 38856 38863 38883 38883 38912 0	38948 C
	File No.	26727-185 26727-190 27218-56 26782-79 26842-48 26727-181 27170 26765-205 27156-3 4772-9 26727-191	3329 · 16 9437 · 21 26727 · 106 Case 4795 33782 · 91 33167 27156 · 97 27401 · 31 28300 · 13	Case 269 26711 - 190 27156 - 89 7218 - 52 26842 - 53 9437 - 199 9437 - 199	26842 · 14 26324 26727 · 194

No. 12.—Statement showing highway crossings at which protection provided, and the nature of protection, during period of protection and protection of protection.

laeu.	Nature of Protection	Electric bell and wig-wag installed; standing cars on passing track kept back 300 feet from crossing; train and switching movements on two business tracks to be flagged by train crew. Trees trimmed. House moved to another location. Yig-wag added to bell already installed. Brush and trees cut down. Brush and trees cut down. Electric bell and wig-wag installed. Two electric bells and flashing lights installed. Return fences installed; right of way fence repaired. High wooden fences replaced by wire fence. Wig-wag added to bell already installed. Electric bell and wig-wag installed. Speed limitation of 10 miles per hour. Overlead crossing constructed. Atvance warning signs installed; switching novements signs of train crew. Overlead crossing constructed. Trees trimmed; board fence replaced by wire fence.
927—Concu	Railway	C.P.R. St. C.P.R. C.P.R
twelve months ending December 31, 1927—Concluded	Location of Crossing	Main Street, Cobden, Ont. Grenville's Crossing, County of Welland, Ont. Grenville's Crossing, County of Welland, Ont. St. James Street, St. Pierre, Que St. James Street, St. Pierre, Que Crossing south of St. Jerome, Que First crossing seat of Carp, Ont. Kingsbury, Avenue, Toronto, Ont. Kingsbury, Avenue, Toronto, Ont. Kingsbury, Avenue, Toronto, Ont. Kingsbury, Avenue, Toronto, Ont. Kings Street, Ingersoll, Ont. Crossing at Menramook, N.B. Crossing at Menramook, N.B. Crossing at Causapscal, Que. Crossing at Trois Pusicles, Que. St. Francois Street, La Tuque, Que. Crossing at Trois Pusicles, Que. Spring Street, Amherst, N.S. Crossing at Trois Pusicles, Que. Spring Street, Amherst, N.S. Crossing at Trois Pusicles, Que. Spring Street, Amherst, N.S. Crossing an ile west of Pinkerton, Ont. Elora Road, Puslinch Stu., Ont. Elora Road, Puslinch Stu., Ont. Elora Road, Puslinch Stu., Ont. Elora Road, Puslinch of Alma Stn., Ont. First crossing west of Stevensville, Ont. Silver Creek Road, Guelph Jet., Ont. Crossing in yard at Berthierville, Que. Richmond Street, Chatham, Ont. Richmond Street, Chatham, Ont. Crossing 3 miles east Canfield Jet., Ont.
	Order No.	38985 38985 38058 38058 38053 38053 38053 38223 38223 38224 38225 38225 38226 38245 38245 38246 38440 39405 39405 39407 39407 39407
	File No.	20727-189 27231-11 26782-55 26782-61 9437-163 9437-163 2217-8 2217-8 2217-8 2217-8 2218-5-30 33229-30 33229-30 2437-186 26727-11 27782-97 26728-95 26728-95 26728-95 26728-95 26728-95 26728-97 27756-55 9437-1083 26711-199 26711-197 27156-106 228642-65

			4	uer on i	Ur	IHL	COMMIS	SIONERS			
Brush and trees cut down. Speed limitation of 10 miles per hour on westbound traffic.	Trees trimmed and cut down; board fence southwest side taken down. Crossing sign installed.	advanced warming signs installed. Speed limitation of 10 miles per hour. Trees removed; approach over bridge on highway	Speed limitation of 10 miles per hour on eastbound traffic. Trees removed.	Trees cut down; approaches graded, Additional crossing sign installed, Trees and shrubs cut down. Wig-wag added to bell already installed, Shrubs and trees removed	Electric bell and wig-wag installed. Two electric bells and wig-wag installed. Two beletric bells and wig-wag installed.	sidings to be protected by trainmen. Trees and other obstructions removed. The difficulty of 10 miles may be a possible of the protected by trainmen.	traffic. Brush removed. Whistle posts installed; bush cut down. Schuctions removed; fence posts whitened. Electric bell installed. Standard highway crossing sign installed.	Two automatic bells and wig-wags installed. Embankments, cut down. Embankments cut down; approaches graded. Standard highway crossing sign installed.	rreight cars kept back 50 feet from street line; north- bound trains to stop with engine clear of highway. We-wag added to bell already installed, Trees removed. Watchmen installed between 7 a.m. and 11 p.m.	Finge added to gate; gate-arm installed on south- east side.	hour. Automatic bell and wig-wag installed.
C.P.R.	CN.R CP.R	C.N.R. C.P.R.	C.N.R.	OOOON	M.C.R. C.P.R. E.T.R.	CPR	COCOPE CONNER			:	C.P.R.
Second crossing north Gimli, Man. First crossing west of M. 96 Renfrew Sd., Ont. First crossing south Holland Landing Ont	Mental Hospital Crossing, M. 12.4 Weyburn Sd., Sask. Crossing 0.4 mile south Crombies, Ont.	Michigan Avenue, Point Edward, Ont Crossing 0.3 mile east of Innerkip Stn., Ont.	First crossing east of Scotia, Ont. Crossing 4 mile north of Stratford, Ont. First crossing east of Wheetlev Str. Ont	Victoria Avenue, Brandon, Man. Exemouth Street, Sarnia, Ont. First crossing north of Scotia, Ont. Second crossing east of Canaville, Ont	Winning Street, Regina, 38sk. Kildare Road, Walkerville, Ont.	Prentice Crossing, Frankford, Ont. First crossing east of Strasbourg, Sask	Second crossing north of Lacombe, Alta. Norton Street Crossing, North Edmonton, Alta. First crossing west of Hatzic Stn., B.C. Perfontaine Street, Montreal, Que. Second crossing west of Hopewell Stn., N.S. Prince Edward Street, Brighton, Ont.	William Street, Actonvale, Que. Crossing M. 96.7 Renfrew Sd., Ont. Abbott Street, Brockville, Ont. Crossing near Drumheller, Western Gem Mine Spur, Alta. Perraulf Street, Ste. Marie, Que.	Queen Street, Guelph, Ont. Walker Line Crossing, Nelson Twp., Ont. Lancaster Street, Kitchener, Ont. MacLennan Avenue, Toronto, Ont.	Wilhelm Street, Kitchener, Ont.	Crossing at Parham, Ont
39369	39720	39723	39798	39824 39833 39840	39892	39925 39939	39944 39965 39972 39975 3998	40008 40003 40023 40023	40077 40078 40089	40108	40111
27365-34 8 26711-206 8 26765-57	32134 26727 · 201	26711.211 26711.200	26711.214 27929.29	26744.45 56 9437.1140 34371 26842.3	26807 · 41 29916	26711 · 182 13488	27811 · 35 11340 27073 · 38 15836 27218 · 18 9437 · 1063	26782 · 99 26711 · 206 26727 · 207 28786 · 28 31646 · 6	26727 · 17 12021 · 43 26765 · 71 9437 · 1178	26711.223	3701.38

No. 13.—Statement Showing the Number of Highway Crossings at which Protection has been Ordered, and the Nature of Protection, set out by Provinces, for Twelve Months ending December 31, 1927.

AND 1										
	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Total
Removal of view obstructions (trees, banks, buildings, etc.) Sign post erected as mark to keep cars back from street line		1	1	2	25	1	1	2	2	34 1
Speed limitation maintained		1		5	6		1			14 7 9
Switching movements to be flagged. Wig-wag added to bell already installed Day and night watchmen installed				1	8					8
Illuminated sign each side of track installed					i			1	1	1 1 5
Highway crossing sign installed								i		1 1 1 2
Return fencing installed	-	1		2	2			1		6
Automatic bell and wig-wag installed		1 1	2	1 5 1	4 2					12
Double automatic bells and flashing lights installed	7	1			1					
Overhead crossing constructed	or				1		1			
installed. Approaches graded Fence posts whitened. Automatic bell installed.				1	2				1	
Watchman installed 7 a.m. to 11 p.m Fringe added to gate					1					
		. 8	4	22	74	4	4	6	4	12

No. 14.—Statement Showing Number of Persons Killed and Injured at Public Highway Crossings, separately for the Years ending December 31, 1923, 1924, 1925, 1926, and 1927.

Year	Ga K.		Be					tected I.	To K.	I.
1923	2 11 1 7 4	20 15 14 20 13	13 10 9 21 16	43 47 50 60 45	1 1 1 3	8 5 7 9 21	48 73 65 100 79	255 220 318 276 346 1,415	64 94 76 129 99	320 28 38 370 42

No. 15.—Statement showing number of highway crossing accidents and the nature of same, for each and every year separately for years ending December 31, 1923; 1924; 1925; 1926 and 1927.

						-			-								-			-		-							
			Ga	Gates					Bell	IIe				Wa	Watchman	nan				Unp	Unprotected	ed				Total	103		
	1923	1924	1925 1	926 1	1927 T	otal	923 1	924 19	25 19	26 19	27 To	Total 1923	23 192	24 192	5 192	6 1927	7 Tot	al 195	31192	11192	1926	119971	Total	10931	0.0411	109511	095116	1071	Total
							-	-		1	-	1	I	1	1	1	<u> </u>	+	1					0 1	1011	0-0	250 13	70	1 0031
Automobile	9	2	L~	10	60	28	21	30	32	39	34 1	156	10	670	63	10	00	24 125	133	168	181	916		11	120	0,0			000
Horse and Rig	60	1		proj		70	1	4	٠.	1		9.5	-	-	,					3		073		701	100	770	7 007		1,033
Podestrian		3					-		,	-		07	4	1	:	:		20	38	23	21	22	136	49	37	500		24	167
	=	77	4	5	12	22	9	4	:	20	-71	19	-	-	60	23		00	18 16			10		500	42	10		2.6	169
	20	24	11	20	15	06	34	300	35	51	40	198	1 8	1 3.0	1	10		,	00			1 0		1	Ť	+		1	707
		-	-	-		-	_											197 60		203	522	750	250 1,039	241 247 257	247	257	303 3	314 1	,362
																			-					-		-	-		

The total of 1,362 accidents cover 462 persons killed and 1,797 persons injured, as referred to in preceding statement.

No. 16.—Statement showing the number of trespassers killed and injured, by provinces and railways, for year ending December 31, 1927.

a Total	. K. I.	5 5 75 75	100	eo ⊢	: : : : : : : : : : : : : : : : : : : :		12 121 131
British	ζ. I	6 6 7 6					13 12
	Ĭ,	0.0	: : :	: :			
Alberta	I			: :	: : :		15
- V	K.			: :			: 00
Sask- atchewan	i.	46					13
Satch	K.	33					14
Manitoba	I.	20					16
Mani	K.	40					9
rio	I.	38			-		51
Ontario	K.	27	· c	2 			50
Quebec	I.	133					16
Oue	K.	15					24
wick	I.	44			: :		. ro
New Brunswick	K.						. 63
va tıa	н	m :			: :		. 60
Nova Scotia	K.	es : :				1 : :	- 4
		Canadian National Canadian Pacific Montreal & Southern Counties	Great Northern Michigan Central	Pere Marquette New York Central	Windsor, Essex & Lake Shore. Dominion Atlantic.	Hamilton Radıal Electric Oshawa Railway Algona Central & Hudson Ray	

No. 17.—Statement Showing the Number of Persons Killed and Injured on the Various Railways Under the Jurisdiction of the Board from April 1, 1918 to March 31, 1919, Nine Months Ending December 31, 1919, and for Years Ending December 31, 1920, 1921, 1922, 1923, 1924, 1925, 1926 and 1927.

	Passer	ngers	Emple	oyees	Othe	ers	Tot	al
Year	К.	I.	К.	I.	К.	I.	К.	.1
1919 1919 - 9 months 1920 1921 1922 1923 1924 1925 1926 1927	28 4 17 4 5 15 17 6 13 13	202 274 379 240 376 558 385 354 329 382	117 91 80 91 83 122 107 76 132 101	1,344 951 1,570 1,344 2,084 2,542 2,398 2,008 1,727 2,051 18,019	119 128 157 148 155 158 194 190 284 239	267 277 381 344 396 497 471 593 564 658	264 223 254 243 243 295 318 272 429 353 2,894	1,813 1,502 2,330 1,928 2,856 3,597 3,254 2,955 2,620 3,091

No. 18.—Statement Showing the Number of Persons Killed and Injured in the More Prominent Accidents on the Various Railways Under the Jurisdiction of the Board, Shown Separately for Years Ending December 31, 1923, 1924, 1925, 1926 and 1927.

The second secon	192	3	192-	1	192	5	1920	3	192	7	Tot	al
	K.	I.	K.	I.	K.	1.	K.	1.	К.	I.	K.	I.
Derailment	10 6	381 48 87	13 5	203 32 35	10 6 3	150 71 36	10 15 6	149 14 40	15 12 4	118 129 21	58 44 20	1,001 294 219
Collision with cars. Open switch	5	48	2	1		31	4	57		2	11	253 10
standing foul	1	20		2				1		19	1 2	42
mond) crossing Highway crossing protected	16	71	21	67	11	71	29	94	20	79	97	382
Highway crossing unpro- tected	48	255	73	220	65	318	100	276	79	346	365	1,415
coupling, etc	7 76	107 98	3 84	94 109	5 97	94 132	123	82 113	5 121	93	28 501	583
Hand car, motor, struck by train Struck by switch stand,	5	38	6	27 26	9	24	20	30	13	37 27	53	156 134
Crushed between cars	1	14		15	1	13	1	9	2	10	4	61
Falling off passenger train	5 2 2	16 84 11	5 8 5	22 40 6	2 3 3	15 41 8	1 5	7 35 10	3 4 4	22 52 13	19 18 19	82 252 48
Jumping off train in	7	90	4	100	1	98	8	81	6	110	26	479
Attempt to board train in motion Run down by engine or	. 5	63	3	65	2	88	6	78	4	64	20	358
car Explosion of locomotive boiler	42	79	30	59	21	75	26	63	23	82	142	36
poner	248	1,555	263	1,204	241	1,299	366	1,167	318	1,419	1,436	6,644

No. 19.—Statement showing number of cars inspected together with defects, for year ending December 31, 1927.

		20272	0101	Or 1
Per cent defective	35.34 36.27 75.00	8.69 22.22 70.00	16.66	35.90
Air	801 933 3	2004	∞ en : o	1,783
Per cent defective	4.89	8.69 11.11 10.00	25.00	5.05
Hand- holds	1111 131	21-121	· ~	251
Per cent defective	9.93	22.22 5.00	16.66	10.71
Coupling mech-	224 300	O PH	3 5	532
Per cent defective	1.67	4.34	99.9	1.91
Couplers and parts	38	H : :	63	95
Grand total defects	2,266 2,572 4	23 9 18 18	12 10 30	4,966
Per cent defective	4.89 5.21 12.00 8.00	7.24 2.86 4.09 2.88	5.50 1.36 4.98	5.02
Cars defective	2,042 2,389 3	2002	11 10 27	4,547
Cars	41,679	230 315 440 520	200 730 542	90,561
	Canadian Pacific Canadian National Pere Marquette Edmonton, Dunvegan and B.C.	Great Northern Algoma Central and H. B. Toronto, Hamilton and Buffalo. Eseminalt and Names	Michigan Central British Columbia Electric	

Per cent	10.63	50.00	4.44 5.00 5.55 88.88	3.33	11.61
Miscel-	241		∜∺∺ ⊗	1	277
Per cent defective	21.05 17.10	50.00		13.33	18.90
Height of	477	17		4	939
Per cent defective	12.70		38.88 25.00	3.33	13.14
Sill steps	342		- t- co ç	10	653
Per cent defective	3.79		11.11		2.73
Ladders	86 47		5 - 5		136
	Canadian Pacific Canadian National Pere Marquette	Editionion, Duilvegan and B.C. Great Northern Algoma (Fentral and H. B.	Toronto, Hamilton and Buffalo. Esquimalt and Nanaimo. Michigan Central.	British Columbia Electric	

No. 20.—Statement showing defective safety appliances on freight cars as reported by the inspectors for year ending December 31, 1927.

COUPLERS AND PARTS		AIR BRAKES	
	6	Triple valve defective	
Coupler body broken		Triple valve missing	-
Coupler body worn. Guard arm short.	0	Reservoir defective	1
	-	Reservoir loose	18
Tomolelo Worn			3
Knuckle missing	8	Cylinder and triple valve not cleaned within	0.10
Knuckle pin broken			310
Tomolela nin bont		Cylinder and triple valve not stendined with	6
	4	date of cleaning	20
Took blook broken	45	Pologgo cook defective	3
Lock block wornLock block wrong		Polosso cock missing	1 25
Took block bent	1	Rologgo rod broken	107
T l- blook inongrative	21	Release rod missing. Angle cock defective.	21
T - I- blook missing	2	Angle cook missing	3
	_	Troin nine broken	16
Lock block trigger missing	-	Twoin nino 10050	71 5
Total	95	Train pipe locacket missing. Crossover pipe defective.	3
		Hose defective	1
UNCOUPLING MECHANISM		Hose missing	19
Uncoupling lever broken	22	Hose gasket missing	69
Uncoupling lever wrong	26	Retaining valve defective	3
Tincounling lover bent	121	Retaining valve defective	57
Theounling lever incorrectly applied	43	Potaining nine missing	1
Uncoupling lever missing	233	Broke rigging detective	448 558
II accombing about too long	1	Deales out out	14
Tincounling chain too short	7	Brake cut out, cars old	100
Uncoupling chain kinked Uncoupling chain missing	8 40	Pump missing	-
Uncoupling chain missing	11		709
End casting broken. End casting wrong.	401	lotal 1	1,785
End casting bent	6		
77 J	8		
End costing incorrectly applied	2		
End casting missing. Keeper broken.		LADDERS	
Keeper wrong		Ladder round broken	9
Keeper wrong	-	Ladder round bent	98
Keeper loose		Ladder round loose	19
		I adder round missing	9
Angle clip loose	1	Ladder loose	1
	532		
Total	5.52	Total	136
HANDHOLDS		_	
Handhold broken	18		
Handhold bent	181	C C	
Handhold loose	44	SILL STEPS	
Handhold bose. Handhold loose. Handhold incorrectly applied.	1 7	Sill step broken	9
Handhold missing		Sill stan hent	634
Total	251		2
		Sill step incorrectly applied. Sill step missing.	1
HEIGHT OF COUPLERS			650
Coupler too high	1	Total	
Counter too low	1 -	Miscellaneous Total	577
Carrier iron loose	920		1 000
Total	939	Grand Total	4,900

No. 21-A.—Statement of defects on freight cars shown separately for years ending December 31, 1923, 1924, 1925, 1926 and 1927.

	1923	1924	1925	1926	1927	Total
Couplers and parts Uncoupling mechanism Handholds Air brakes Ladders Sill steps. Height of couplers. Miscellaneous	619 164 2,007 80 241 57 563	77 675 200 1,874 136 241 33 931	76 698 312 2,381 188 568 29 935	86 655 348 2,334 178 779 37 670	95 532 251 1,783 136 653 939 577	414 3,179 1,275 10,379 718 2,482 1,095 3,676
	3,811	4, 167	5, 187	5,087	4,966	23, 218

No. 21-B.—Statement of cars inspected and defective shown separately for years ending December 31, 1923, 1924, 1925, 1926 and 1927.

	1923	1924	1925	1926	1927	Total						
Cars inspected Cars defective Percentage defective	0 4 60	102, 137 3, 824 3 · 74	120,705 4,730 3.91	104,921 4,641 4·42	$90,561$ $4,547$ $5\cdot02$	495,669 21,200 4·27						

rays under the	R. & H.B. D. A.R.	20 21 21 21 21 21 21 21 21 21 21 21 21 21
various railways	R. M.C.R. Q.C.R	
, on the , 1927.	N.Y.C. K.V.R.	
ther of locomotives inspected, and number of defects. Board's jurisdiction, for the year ending December 31	0.M.	
eted, and nu the year end	C C.N.R & B.C	
notives inspe sdiction, for	C.P.R. E.&N.	310137
number of locomotives inspected, and number Board's jurisdiction, for the year ending De	C.N.R.	26 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
No. 22.—Statement showing nu		Are tubes. Areh tubes. Ashpans or mechanism. Ashpans or mechanism. Ashpans or mechanism. Bouler checks. Boiler checks. Boiler checks. Boiler checks. Soiler shell. Brake equipment. Caby or cab windows. (a) sor cab windows. (a) upgens or decks. (a) cards. (b) inders, saddlics, or steam chests. (a) inder cocks or rigging. (b) inter cear. Draw gear. Cauges or gauge fittings, steam. (a) cards cores. Cauges or gauge fittings, steam. (a) cards cores. (a) cards and connections. Injectors and connections. Injectors and connections. Injectors and connections. Injectors and connections. Lights, eab or classification. Lights, headlights. Lubricator or shields. Mudrings. Mudrings. Packing uston rod and valve stem.

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									65
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									60
					1	C3 ← 10	41	146	2 2 2
42	10	***		15 15 72	21 .	1 10 10 6	388	474	312
40. Pilots or pilot beams. 41. Plugs or studs. 42. Reversing gear.	 Rods, main or side, crank pins or collars. Safety valves. Sanders. 	46. Springs or spring rigging. 47. Squirt hose 48. Staybolts	49. Staybolts broken. 50. Steam pipes. 51. Steam valves.	52. Steps. 53. Tanks or tank valves. 54. Telltale holes.	99. Amoute or unottle rigging 57. Trucks, engine or trailing. 58. Valve motion	59 Washout plugs On Water bar or combustion flues 61 Water glass, fittings or shields.	 Miscellaneous, signal appliances, badge plates, brake (hand). Fire Protective appliances. 	ocomotives inspected	Locomotives defective Percent inspected, found defective

on the various railways under the No. 22.—Statement showing number of locomotives inspected, and number of defects,

20, 20 Total C. & B. Board's jurisdiction, for the year ending December 31, 1927—Concluded. F. & G. L.C. & G. Tem. Q.O.R. W.P. E E 1.8 Wa-P.M.R. Packing, piston rod and valve stem....)riving boxes, shoes, wedges, pedestals and braces..... ('ross heads, guides, pistons or piston rods..... rames, tail-pieces, or braces, locomodive. Vlinders, saddles or steam chests..... Inspection or test not made as required. Gauges or gauge fittings, air oupling and uncoupling devices. lauges or gauge firrings, steam Lights, cab or classification. injectors and connections. vlinder cocks or rigging. Ashpans or mechanism Pilots or pilot beams. Jubricator or shields ('abs or cab windows. njectors inoperative Joines or dome caps. Cabs aprons or decks ights, headlights 'auge cocks.... Jateral Motion. srake cuipment rate shakers. slow-off cocks. Boiler checks. Packing nuts. Crown bolts.)ran graf... Mudrings)raft gear. 국교원의왕왕의왕왕왕왕왕왕 왕왕왕왕왕왕왕

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::	:											119
											2	40
												2 1 2 2
											70	55 4 8
	44. Safety valves.	46. Springs or spring rigging	48. Staybolts.	49. Staybolts broken. 50. Steam pipes.	51. Steam valves. 52. Steps.	53. Tanks or tank valves 54. Telltale holes.	55. Throttle or throttle rigging. 56. Trucks, engine or trailing.	57. Trucks, tender 58. Valve motion.	59. Washout plugs 60. Water bas or combustion flues 61. Water plass (if times or shialds	62. Wheels. 63. Miscellancous, signal appliances, badge plates, brake (hand). 64. Fire protective appliances.	of om of two inspector	Locomotives defective Percent inspected, found defective

APPENDIX "E"

REPORT OF THE CHIEF FIRE INSPECTOR OF THE BOARD, CLYDE LEAVITT, FOR THE YEAR ENDING DECEMBER 31, 1927

The work of the Fire Inspection Department during the past year has continued to be carried on in co-operation with the respective forest protective organizations of the Dominion and provincial Governments, 126 officials of such organizations having acted as field officers of this department.

RAILWAY FIRE PATROLS

In accordance with Regulation 12 of General Order No. 362 of the Board, patrol requirements were prescribed and issued to the railway companies. The following synopsis covers in a general manner the railway mileage affected by

the patrol requirements.

Of 39,280 miles of railway in Canada subject to the Board's jurisdiction, 13,417 miles, or 34 per cent, is classified as running through forested territory. Of this, special patrol by selected members of section crews is prescribed on 4,805 miles; special patrol by special men on velocipedes on 802 miles, and special patrol by special men on power speeders on 1,596 miles; total mileage subject to some form of special patrol by railway forces, 7,203. This represents special attention to fire patrol by 747 selected members of section crews, 65 velocipede patrolmen, and 59 power speeder patrolmen—a total of 871 special fire patrolmen on all lines. On 6,214 miles of forested territory where the firehazard is not extreme, special fire patrol is not prescribed, the detection, reporting and extinguishing of fires being left to section forces and other regular employees, as a part of their regular duties.

FIRE STATISTICS

Railways subject to the Board's jurisdiction throughout Canada are reported as having caused 399 fires in territory classified as forested. These fires burned over a total of 3,727 acres, with forest and other property loss valued at \$9,124. Of this area, 436 acres were young forest growth, 412 acres merchantable timber, and 353 acres slashing or old burn not restocking, while 2,526 acres were nonforest lands. Thus, the area of actual forest burned over was only 848 acres or 22.7 per cent of the total. The valuation of young forest and standing timber destroyed is \$2,825 or 30.9 per cent of the total damage, the balance being improved property in some form. This is the best showing ever made by the railways of Canada. The credit must be divided between the railways and generally favourable weather conditions.

Of the 399 fires attributed to the railways, 43 per cent were incipient, 47 per cent covered between one-fourth acre and ten acres each, while only 10 per

cent attained a size over 10 acres each.

Detail statistics by railways are shown in the accompanying tabulation. Another table follows, showing the distribution of fires attributed to railways, between locomotives and employees. The former include fires attributed to stacks or ash pans of locomotives or other portable boilers. The employee fires are mostly cases where fires escaped from section forces burning right of way in the spring, or where fires spread from autumn burning of old ties. It will be noted that fires attributed to locomotives comprise 75 per cent of the total number of railway fires, and that these fires burned 78 per cent of the total area

causing 38 per cent of the estimated total loss in money value of forest and other property destroyed by railway fires. Employee fires account for 25 per cent of the number, 22 per cent of the area, and 62 per cent of the money value of damage done by railway fires.

Railway fires occurring east of Fort William, Port Arthur and Armstrong are 33 per cent of the total number, and these fires burned over 46 per cent of the

area and did 73 per cent of the total damage attributed to railway fires.

In addition to the foregoing, there were reported 69 fires burning in ties in the track, of which 33 were on the Canadian National Railways Atlantic Region, 21 on Canadian National Railways Central Region, 7 on Canadian National Railways Western Region, 6 on Canadian Pacific Railway Western lines, and

2 on the Algoma Central and Hudson Bay Railway.

Seventy-six fires, originating within 300 feet of track in forested territory, are attributed to known causes other than the railway. Of these fires, 23 are charged to campers and travelers, 33 to settlers and 20 to other known causes. Seventeen of these fires were incipient, 48 burned from one-fourth acre to 10 acres each, and 11 burned more than 10 acres each. These fires burned over 305 acres of young forest growth, one acre of merchantable timber, 589 acres of slashing or old burn not restocking, and 556 acres of non-forest land, with total damage to forest and other property estimated at \$2,634.

Fires of unknown origin originating within 300 feet of track total 37, burning over 188 acres, with forest and other property loss valued at \$16,780. Of

this, the forest valuation accounts for \$344.

Thus, all fires reported as having originated within 300 feet of track in forested territory, due to all causes, total 512, burning an area of 5,366 acres of forest and non-forest land, with total estimated damage of \$28,536.

SUMMARY of Reports on Fires in Forest Sections originating within 300 feet of track along railway lines subject to the juris-diction of the Board of Railway Commissioners for Canada, Season of 1927

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- 67	T	∞	223 550 105 878			361	47 1 21	1 1 18 20
Campers and travellers, Class C.	Settlers, Class B Settlers, Class C Other known causes, Class A Other known causes, Class B Other known causes, Class B Total, Class A Total, Class B Total, Class B	Total of other known causes.	A reas burned (acres)— Young forest growth Merchantable timber Slashing or old burn. Other classes of land. Total.	7.7.1		FIRES OF UNKNOWN ORIGIN	Number—Class A. Class B. Class C. Total.	Areas burned (acres).— Young forest growth Merchantable timber Slishing or old burn. Other classes of land

SUMMARY of Reports on Fires in Forest Sections originating within 300 feet of track along railway lines subject to the jurisdiction of the Board of Railway Commissioners for Canada, Season of 1927-Concluded

		h	244 100 7 7 429	08		
	Totals		% 16,	\$ 16.7		
	Miscel- laneous	6		8:	Railways	ık, Que.
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	Algoma Central and Hudson Bay				ion Atlanti	east of Riv
	('anadian National (Western Region)	(e)	\$ 232 100	103	by; Domin	Railways
	('anadian National (('entral Region')	(g)	10		and Railwa	vernment
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	('anadian Pacific (Western Lines)	(9)	1-	16,250	\$ 16,257	ays.
	(Yanadian Pacific (Eastern Lines)	(a)		25	S 25	lley Railw
			Yalue of property destroyed— Young forest growth Standing timber	Forest produces. Other property.	Total Solvent New Brinswick Coal and Railway; Dominion Atlantic and Quebec Central Reilways.	(a) Includes Fredericton and Grand Lake Coul and Markays, 1907 Railways east of Riviere du Loup and Monk, Que.

Includes Halifax and South Western Railway and portions of former Canadian Government Railways east of Riviere du Loup and Monk, Que. (d) Includes partions of former Canadian Government Railways west of Riviere du Loup and Monk, Que., and east of Armstrong, Ont.

(f) Includes following lines: Algoina Eastern; Atlantic, Quebec and Western and Quebec Oriental; Cumberland Railway and Coal Company; Maine Central Includes Transcontinental Radway west of Armstrong, Ontano, and excludes Hudson Bay Radway.

Nore,-No fires were reported during 1927 as originating within 300 feet of track in forest sections along the following lines: Maritime Coal, Railway and Power (ompany: Quebec, Montreal and Southern: Temiscousta and Vancouver Harbour Commissioners Terminal Railway. (N.B.); Nipissing Central and White Pass and Yukon.

lass A fires are those which cover an area less than one-fourth acre, and do no damage; Class B fires are those which cover an area of one fourth acre to ten acres;

Class C fires are those which cover an area over ten acres.

SUMMARY of Reports of Fires of Railway Origin in Forest Sections originating within 300 feet of track, along railway lines subject to the jurisdiction of the Board, season of 1927: showing statistics of fires attributed to locomolines subject to the jurisdiction of the Board, season of 1927: showing statistics of fires attributed to locomo-

tives and employees respectively.

The second secon						CI.	Dought I and Burned	d Burne		Non-fo	rest	Damage	Damage		Grand Totals	Totals	
		Num	Number of Fires	Fires		F	Olt St Last	The same of the		land bu	urned	land burned to Other	Other		Area	Damage	lage
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(ause of Fire		cess		Total 1	Per cent	Acres	Total Per cent Acres Per cent age Fer cent	age	Fer cent	Acres Per cent	Per cent	9	40		Acres Per cent Per cent	6/0	Per cent
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Employees	15	0.7	21	101	0			-			0000	00		6 961 3 797 100.0 9.124	100.0	9.124	100.0
	181	187	38	399	100.0	1,201	399 100.0 1,201 100.0 2,825 100.0 2,526 100.0	2,825	100.0	2,526	100.0			5	2		
	7.17	101	-						_	_			Andrew or summer the parameter of the pa		The same of the sa		

SUMMARY of Reports of Fires in Forest Sections originating within 300 feet of track along railway lines subject to the jurisdiction of the Board, season of 1927, showing by provinces the number of fires, areas burned and value of property destroyed, by classified causes.

Province	R	Fires ailway	of Origin	F	Cnown other Raily			Unkne Caus	
	No.	Acres	Value	No.	Acres	Value	No.	Acres	Value
Yukon Territory	7 2 57 200 3	232 50 140 1,296 114 41 403 1,443 8 3,727	\$23 269 346 5,183 	1 2 24 21 1 7 20 	1 84 907 6 429 24 	\$ 1,002 573 95 964 2,634	2 5 13 2 1 14 	1 30 3 20 133	\$ 25 12 154 200 16,389

RIGHT OF WAY CLEARING

Spring burning of the annual weed and grass growth on rights of way on eastern lines was in many cases retarded and in some instances made impossible, by unfavourable weather conditions, chiefly due to continuous rains. During the season at favourable opportunities partial disposal was made of old ties and debris piles. Special right of way clearing operations were carried out over approximately 360 miles of Canadian National lines in the Province of Ontario but complete disposal of the resultant debris piles during the fall was found impracticable in consequence of general wet weather and early snowfall,

On western lines weather conditions in the spring were generally favourable for the carrying out of burning operations on rights of way, of which circumstance the railways took full advantage. Fall burning operations were, however, seriously retarded and in some cases totally prevented, owing to generally

adverse weather conditions.

FIRE PROTECTIVE APPLIANCES ON LOCOMOTIVES

During the fire season of 1927, officers of the Fire Inspection Department nspected fire-protective appliances on 3,861 locomotives operating through orested territory. Of this total, the fire protective appliances on 85 locomotives or 2.20 per cent, were found to be in a defective condition.

Inspections of Locomotive Fire-Protective Appliances, 1927, by Fire Inspection Department, B.R.C.

Railway	Province	Number inspected	Number defective	Per cent
P D	New Brunswick Quebec	113 270 791 126 287	10 18 6	1·26 14·29 2·09
	Totals	1,587	34	2.14
N.R. N.R. N.R.	Nova Scotia New Brunswick Quebec Ontario Prairie Provinces British Columbia	9 204 323 898 529 85	7 19 2	0·49 0·78 3·59 2·35
62863—32	Totals	2,048	29	1.42

Inspections of Locomotive Fire-Protective Appliances, 1927, by Fire Inspection Department, B.R.C.—Concluded

Railway	Province	Number inspected	Number defective	Per cent
Dominion Atlantic Atl. Que. & Wes. & Que. Oriental Quebec, Montreal and Southern. Temiscouata Algoma Central and Hudson Bay Algoma Eastern. Blue Diamond Coal Co. Edmonton, Dunvegan, & B.C. Great Northern. Kettle Valley White Pass and Yukon Route Totals All Railways	New Brunswick and Quebec. Ontario. Ontario. Alberta. British Columbia. British Columbia. British Columbia. Totals.	226	2 1 3 9 2 4 1 1 22 85	20·00 14·29 30·00 13·43 22·22 8·89 5·26 9·73

FIRE-GUARD STATISTICS

The statistical fire-guard report for 1927 shows an increase during the year of 48-96 tracks miles in the Prairie Provinces, making a total of 16,065-58 track miles in these three provinces subject to the fire-guard requirements. This represents 32,131-16 fire-guard miles, since fire-guards are required to be maintained on both sides of the track.

Fire-guards constructed or maintained during the year total 9,954-66 miles.

SUMMARY of Fire Guard Construction and Maintenance by Railways in the Provinces of Manitoba, Saskatchewan, and Alberta, 1927

	Edmonton, Dunvegan and British Columbia	Great Northern	Canadian National	Canadian Pacific	Totals
Length in track miles Length in fire-guard miles! Fire-guards constructed (shown in fire-	1 240.00	84 · 64 169 · 28	8,208·52 16,417·04	7,350·52 14,701·04	16,065-53 32,431-1
guard miles)— Grain Stubble Lands Cultivated Hay Lands Fire-guarded Cultivated Hay Lands by Owner Fenced Grazing Lands. Wild Lands.	35.00 4.50 5.10	$ \begin{array}{r} 103 \cdot 50 \\ 15 \cdot 00 \\ 19 \cdot 00 \\ 0 \cdot 50 \end{array} $	1,511.03 192.75 1,381.73 1,006.88	$\begin{array}{c c} 2,000 \cdot 47 \\ 168 \cdot 90 \\ 2,375 \cdot 45 \\ 1,127 \cdot 45 \end{array}$	3,650·0 381·1 3,781·2 2,142·2
Total miles of fire-guards con structed	52.00	138.00	4,092.39	5,672.27	9,954-6
Fire-guards not constructed (shown in fire-guard miles)— Exemptions ² Owner refuses to allow construction ³ . Unnecessary: land already plowed! Grain Stubble Lands. Not fire-guarded Cultivated Hay Lands/by owner ⁵ Miscellaneous other reasons Total miles of fire-guards no constructed	671-80 6-00 75-80 9-60 28-60		6,047·28 125·10 2,015·36 3,235·37 317·09 584·45		10,348.1 197.4 3,857.5,902.560. 1,309.22,176.

Fire-guard mileage is double the track mileage, since the construction of fire-guards is required both sides of the track.

*Company exempted from fire-guard construction, as to portions of line where showing made the such construction is unnecessary or impracticable.

*Employees of railway company refused permission, by owner, to enter upon land for purpose of eastructing fire-guards.

⁴Fire-guarding unnecessary, because fields already plowed.

⁴Fire-guarding in grain stubble and in cultivated hav lands required only where the land owner occupant will undertake to plow guard at the reasonable price specified by the Board, to be paid by railway company.

APPENDIX "F"

RECORD BRANCH

List of cases appealed to the Supreme Court of Canada, from February 1, 1904. to December 31, 1927

F	ile No.	Subject	Decision
	643	tion of jurisdiction	-
	1455	James Bay Ry. vs. G.T.R. undercrossing at a point near Beaverton, Ont., Lot 13, Con. 7, Twp. of Thorah	Allowed.
	1492 383	James Bay Ry. vs. G.T.R. crossing Belt Line Spur, Question of Law	Dismissed.
	1621	Toronto Ry. Co., aginst Order 7813, July 3rd. 1909, re high level bridge over	Dismissed.
	588	Re Toronto Union Station A R Williams	Dismissed.
	C. 1680	Essex Terminal Rv. and W E & I S P D	Dismissed.
	C. 1309 689	Robinson Ts. G.T.R Two-cont rate Owners	Dismissed. Dismissed.
	1497 9527	T. D. Robinson vs. C. V.R. Spure at Bondon, Ont. Question of Jurisdiction	Dismissed. Dismissed.
	C. 1419	Ontario Department of Agricultura (1971)	Allowed.
	C. 3322 C. 4897	Re Toronto Viaduct Appeal of C.P.R. Co. on Question of Law.	Dismissed. Dismissed.
	C. 4492	Jurisdiction City of Toronto vs G.T.R. and C.P.R. re commutation rates. Question of Law	Allowed.
(C. 3378 C. 2545	of Law City of Ottawa and County of Carleton are Righmond Pool Visit	Withdrawn.
	13079	tion of Jurisdiction Ques-	Dismissed.
(. 3269	diction distribution of Juris-	Dismissed.
Ì	1319	G.T.P.R. vs. City of Fort William. Ont relocation Question of Law.	Dismissed.
	11965 15580	N. St. C. & T. Ry, 28 Davy Question of Land History	Dismissed. Allowed.
	12682	Bar Sand and Gravel Co. Question of Junishing R. I. P. and the Clover	Dismissed.
(17963 3269	G.T.P.R. vs. A. E. Purcell of Sections Co. I.	Dismissed. Dismissed.
		G.T.R. & C.P.R. as Canadian Oil Companies. Question of Jurisdiction	Dismissed. Dismissed.
	20062	B.C. Elec. Ry, V.V. & E. Ry, vs. City of Vancouver B.C. Question of	Maintaseut.
	1487	E. B. Chambers and W. E. C. Dieter Communication of the Communication of	Dismissed.
	19435	G.T.R. 28. City of Edmonton Outstiller	Allowed. Dismissed.
1.	1329 9	Montreal Tramways and M.P. & I. Ry. vs. Lachine, Jacques Cartier and Maisonneuve Ry. Jurisdiction	Dismissed.
	23009 21428	City of Hamilton vs. T. H. & B. Ry. Jurisdiction.	Allowed.
943	021 · 70 021 · 70 037 · 153	The distriction of Law and	Dismissed.
C	. 3935 11	City of Edmonton - D.D. C.D. H. W. C.	Dismissed. Dismissed.
	27524 13622	G.T.R. vs. Bourassa of Laprairie, Que. Question of Law and Jurisdiction.	Dismissed. Vithdrawn.
	27840	matter of General Order No. 162.	bandoned.
	26981 (P.R. rs. Dent of Public Works for Order	bandoned.
	11118		ithdrawn.
62	863-321	Victoria Harbour. Jurisdiction	bandoned.

List of cases appealed to the Supreme Court of Canada, from February 1, 1904, to December 31, 1927—Concluded

File No.	Subject	Decision
28950 C. 3378	Jurisdiction. City of Toronto 28. Toronto Terminal Ry. 10 pressure pipes under Bay, Scott and Yonge Sts., Toronto, Ont. Question of Law. Applic. of Mr. Wagenast for a scated case in 10 Brampton commutation rates. Question of law. Ottawa Elec. Ry. against Order of the Board disallowing proposed increase in passenger rates. Question of Jurisdiction. Board submits stated case for the opinion of the Court on question of Jurisdiction in matter of British Columbia Elec. Ry. Co's application for increased rates. Appeal of C.P.R. Co. upon question of law arising out of the application of Dept. of Lands, Forests & Mines, Prov. of Ontario, for an Order direct-	Anandoneu.
30381 31351 · 1	expense between Lots 6 & 7, Con. 1, 1 wp. of Eton, One. 14 pt. 14 (Appeal allowed with cost). (Question answered in the negative.) V.V. & E. Ry. & Nav. Co. vs. Vancouver Harbour Commissioners and the C.N. Rys. from Order of the Board No. 31647, dated Oct. 15th, 1921. Question of Jurisdiction.	Allowed.
32812.1	the Board dated May 25rd, 1923, in matter of the State of	Dismissed. Allowed.
34285		t

SUMMARY

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List of Appeals to the Governor in Council, February 1, 1904, to December 31, 1927

File No.	Subject	Decision
1455 1781 12992 2030 17716 18787 3152-30 12912 17040 1 2021 17040 1 16177 16024 17716-10 22681-25	James Bay Rv. es. G.T.R. crossing near beaveron, one. G.T.R. es City of Chatham, Ont. Street Crossings. Marsiwaki Beh., C.P.R., train service from Ottawa	Dismissed. Referred Back Dismissed. Dismissed. Referred Back Dismissed. Dismissed. Dismissed. Abandoned. Dismissed. Withdrawn. Dismissed. Dismissed. Abandoned. Abandoned.

List of Appeals to the Governor in Council, February 1, 1904, to December 31, 1927—Concluded

	7 0 01/00/00/00/00	
File No	Subject	Decision
2166 2616	C.P.R. and C.N.R. Cos re interswitching of Forty	. Dismissed.
1704 2769	0 C.P.R. re Lambton to Weston Spur. (2nd appeal). 3 City of Hamilton rs. G.T.R. Co. re passenger service on Northern & N.W. Beh. between Hamilton and Burlington Beach and Town of Burlington	Abandoned. Referred Back.
2784 28439 · 2823 29040 ·	Winnipeg Board of Trade re 15% increase in freight rates Town of St. Lambert, Que. re increase in rates on the M. & S.C. Ry. City of Hamilton, Ont. re Kinnear Yard. National Dairy Council of Carachas as belief to G.	Abandoned. Dismissed. Dismissed.
C. 95 3043	5 Proprietors' League of Montreal, re increase in Bell Telephone rates. 4 City of Windsor, Ont. for an Order resembling Order of the Board No. 30028 authorizing C.P.R. Co. reconstruct time leaf of the Board No. 30028	Referred back. Dismissed.
2999	City of Toronto, Ont. against General Order No. 308, authorizing a general increase in freight rates	Dismissed.
C. 958	providing for increase in Lell Tiles of the Board dated April 18th, 1921,	Referred back.
30380	aux Trembles Ry, at Pointe aux Trembles (), 31312, re crossing, Pointe	Referred back. Referred back.
30380 - 13	(General Order No. 327) with respect to express rates. National Dairy Council of Canada from the decision of the Board and for an Order for the canadations of the 2007.	Dismissed.
.17112 - 27	July, 1920. Applic. of the Dominion Millers Assn. from the Judgment of the Board dated March 6th, 1922, in matter of flour arbitraries.	Referred back.
29040 - 2	Appeal of the National Dairy Council of Canada on behalf of Canadian Ice	Dismissed.
30686 · 2	Appeal of the Provinces of Alberta and British Columbia from Order of the	Dismissed.
30 380 · 13	National Dairy Council of Canada against ruling of the D	Referred back.
3025 · 16	N. St. C. & T. Ry. Co. against Order of the Person N.	Allowed.
32812 · 1	Governments of Alberta, Saskatchewan and Manitoba from General Order of the Board No. 400. Oct 14th 1924 or Croys Next B	Withdrawn.
9754 · 22	Canadian Shippers' Traffic Bureau against Order of the Board No. 36646, dated July 27th, 1925 in matter of a claim against the C.T. B.C. 220 and P.C. 886.	Allowed.
30686 · 2	Appeal of the Governments of the Provinces of British Columbia, Alberta and Saskatchewan re-rates on grain and flows are columbia.	Dismissed.
	Coast for export	Referred back.

SUMMARY

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APPENDIX "G"

LIST OF GENERAL ORDERS AND CIRCULARS OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1927

GENERAL ORDER No. 437

In the matter of the application of the Railway Association of Canada for an Order amending Rules 19 and D-19 of the General Train and Interlocking Rules, so as to authorize a standard practice of utilizing marker lamps not lighted to indicate the rear of trains during daylight hours, instead of File No. 4135.71. flags as at present:

Tuesday, the 18th day of January, A.D. 1927.

S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. Hon. Frank Oliver, Commissioner.

Upon reading what is filed in support of the application and on behalf of the Pere Marquette Railway Company, the Rutland Railroad Company, Central Canada Railway Company, British Columbia Electric Railway Company, Limited, the Quebec, Montreal and Southern Railway Company, the Maritime Coal, Railway and Power Company, Limited, the Edmonton, Dunvegan and British Columbia Railway Company, the International Bridge and Terminal Company, and the Thousand Island Railway Company; and upon the report and recommendation of its Chief Operating Officer, -

The Board orders: That the General Train and Interlocking Rules. approved by General Order No. 42, dated July 12, 1909, be, and they are hereby, amended by striking out rules 19 and D-19 thereof and substituting the following, namely:-

19. The following signals will be displayed, one on each side of the rear of every train, as markers to indicate the rear of the train; by day, marker lamps not lighted; by night, green lights to the front and side, and red lights to the rear, except when the train is clear of the main track, when green lights must be displayed to the front, side and rear.

D-19. The following signals will be displayed, one on each side of the rear of every

train, as markers to indicate rear of train:—by day, marker lamps not lighted; by night, to the front and side, green lights; by night, to the rear, if the train is running with the current of traffic, red lights; if standing on passing track, clear of main track, green lights; if running against the current of traffic, a green light on the opposite side. The lights displayed to the rear must be changed from green to red before a train foul. to red before a train fouls the main track when leaving a passing track, or returns to the main track with the current of traffic. S. J. McLEAN,

Assistant Chief Commissioner.

GENERAL ORDER No. 438

In the matter of the General Order of the Board No. 394, dated February 8 1924, amending General Order No. 78, dated July 14, 1911, prescribing the rules and instructions for the inspection and testing of locomotive File No. 1651; boilers and their appurtenances:

Monday, the 14th day of February, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner.

Upon reading what is filed on behalf of the Railway Association of Canada the Brotherhood of Locomotive Engineers, and the Brotherhood of Locomotiv

Firemen and Enginemen; and upon the report and recommendation of its Chief Operating Officer.—

The Board orders: That the said General Order No. 394, dated February 8, 1924, be, and it is hereby, amended by striking out the amendment to clause 18, on page 2 thereof, and substituting the following, namely:-

18. Method of Testing Flexible Staybolts with Caps

(a) Except as provided in paragraph (b), all staybolts having caps over the outer ends shall have the caps removed upon the completion of twenty-four calendar months actual shar have the caps removed service, and bolts and sleeves examined for breakage, provided such service is performed within three consecutive years. Portions of calendar months out of service will not be counted. Time out of service must be properly accounted for by out of service reports, and notations of months claimed out of service made on the back of each subsequent inspection report and cabcard. Each time a hydrostatic test is applied, the hammer test required by Rules 16 and 17 shall be made while the boiler is under hydrostatic pressure, not less than the allowed working pressure.

(b) When all flexible staybolts with which any boiler is equipped are provided with a telltale hole not less than three-sixteenths (%) inch, nor more than seven thirty-seconds (%2) inch in diameter, extending the entire length of the bolt and into the head not less than one-third (\frac{1}{3}) of its diameter, and these holes are protected from becoming closed by rust and corrosion by copper plating or other approved method, and are opened and tested each time the hydrostatic test is applied, with an electric or other instrument approved by the Board of Railway Commissioners for Canada, that will positively indicate when the telltale holes are open their entire length, the caps will not be required to be removed. When this test is completed, the hydrostatic test must be applied and all staybolts removed which show leakage through the telltale holes.

The inner ends of the telltale holes must be kept closed with a fireproof porous material that will exclude foreign matter and permit leakage of steam or water, if the bolt is broken or fractured, into the telltale hole. When this test is completed, the ends of the telltale holes shall be closed with material of different colour than that removed and a record

kept of colours used. (c) The removal of flexible staybolt caps and other tests shall be reported on form No. 3, and a proper record kept in the office of the railway company of the inspections and tests made.

(d) Firebox sheets must be carefully examined at least once every month for mud burn, bulging, and indication of broken staybolts. (e) Staybolt caps shall be removed, or any of the above tests made, whenever the Board's Inspector, or the railway company's inspector, considers the removal desirable in order thoroughly to determine the condition of staybolts or staybolt sleeves.

H. A. McKEOWN,

Chief Commissioner,

GENERAL ORDER No. 439

'n the mater of the application of the Canadian National Railways for a ruling by the Board in the matter of an additional charge of ten per cent made by the Railway Company for supervision and overhead expenses in connection with the protection required by the Board to be provided at highway crossings: File No. 34022

Monday, the 21st day of March, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner,

Upon reading what is filed on behalf of the applicants, and its appearing the Board that a supervision and overhead charge of ten per cent in connecon with such protection is a fair and reasonable charge,-

It is ordered: That railway companies subject to the jurisdiction of the Board be, and they are hereby, authorized to make an additional charge of ten per cent for supervision and overhead expenses in connection with the protection required by the Board to be provided at highway crossings.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 440

In the matter of the complaint of the Canadian Lumbermen's Association, et al, regarding proposed change in the rule governing out of line haul charge in transit tariffs; and the Order of the Board No. 37681, dated 29th May, 1926, suspending cetrain tariff schedules pending a hearing by the Board:

File No. 26615.84.

THURSDAY, the 5th day of May, A.D. 1927.

S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner. Hon. Frank Oliver, Commissioner.

Upon hearing the matter at the sittings of the Board held in Ottawa, November 4, 1926, the Canadian Lumbermen's Association, Canadian Freight Association, Canadian Shippers' Traffic Bureau, Maple Leaf Milling Company, Quaker Oats Company, W. C. Edwards & Company, Limited, the Canadian National and the Canadian Pacific Railway Companies, and the Boards of Trade of Toronto and Montreal being represented at the hearing, and what was alleged; and upon the report and recommendation of its Chief Traffic Officer,—

The Board orders:

- 1. That in Canadian National Railway Tariffs C.R.C. No. E-1068, C.R.C. No. E-1069, and Supplement No. 2 to C.R.C. No. E-697, and Canadian Pacific Railway Corrections Nos. 148, 149, 152 and 153 to Tariff C.R.C. No. E-4126, as well as all other tariffs filed with the Board by railway companies subject to its jurisdiction, rules contained therein which provide that the out of line haul will be the difference between the distance via the shortest route from point of origin to final destination, and the shortest distance from point of original to final destination via the stop-off point, be, and they are hereby, disallowed.
- 2. That the said Order No. 37681, dated May 29, 1926, be, and it is hereby, rescinded.

S. J. McLEAN,

Assistant Chief Commissioner.

GENERAL ORDER No. 441

In the matter of the consideration of the question of proposed regulations governing the location of loading racks and unloading points for gasolene, naphtha, or any inflammable liquid with flash point below 30° F.

File No. 28638.2.

Wednesday, the 4th day of May, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner. C. LAWRENCE, Commissioner. Hon, Frank Oliver, Commissioner,

Upon hearing the matter at the sittings of the Board held in Ottawa, March 2, 1926, in the presence of counsel for and representatives of the Railway Association of Canada, the Michigan Central Railroad Company, the Canadian National Railways, Canadian Pacific Railway Company, Canadian Bureau of Explosives, Imperial Oil Limited, and McColl Brothers, Limited, and what was alleged; and upon the report of its Chief Operating Officer .-

The Board orders: That the following regulations governing the location and operation of loading racks and unloading points for gasolene, naphtha, or any inflammable liquid with flash point below 30° F., be, and they are hereby, authorized for the observance of railway companies subject to the jurisdiction of the Board, namely:-

(For the purpose of these rules, casinghead gasolene is defined to be any mixture containing a condensate from casinghead gas or natural gas obtained either by the compression or the absorption process, and having a vapour tension in excess of 8 pounds per square inch.)

PART I

Rules Governing the Location and Operation of New Loading Racks and New Unloading Points for Casinghead Gasolene, Refinery Gasolene Naphtha, or any Inflammable Liquid with Flash Point below 30° F.

LOADING

1. (a) New loading racks for Refinery Gasolene, Benzine, Naphtha, or any liquid (other than casinghead gasolene) with flash point below 30° F., must not be located nearer than 50 feet from a track over which passenger trains are moved.

(b) New loading racks for Casinghead Gasolene must be located not less than 100 feet distant from a track over which passenger trains are moved. A retaining wall, dike, or earthen embankment shall be placed between the installation and the track, so constructed as effectually to prevent liquids from flowing on to the track in case of accident.

(c) In loading Casinghead Gasolene, the tank car and the storage tank shall be so connected as effectually to permit the free flow of the gasolene vapours from the tank car to the storage tank, and positively to prevent the escape of these vapours to the air, or the vapours must be carried by a vent line to a point not less than 100 feet distant from the nearest track over which passenger trains are moved.

UNLOADING

2. (a) When new unloading points requiring railroad service for the unloading of tank cars of Refinery Gasolene, Benzine, Naphtha, or any liquid (other than casinghead gasolene) with flash point below 30° F. are required, the location shall be subject to negotation between the carrier and the interested oil company.

(b) New locations for the unloading of Casinghead Gasolene shall be placed a minimum distance of 100 for the unloading of Linkey and the company.

mum distance of 100 feet from a track over which passenger trains are moved. A retain-

ing wall, dike, or earthen embankment shall be placed between the installation and the track, so constructed as effectually to prevent liquids from flowing on to the track in case of accident.

STORAGE

3. (a) Tanks containing over 500 gallons, and not exceeding 18,000 gallons of Gasolene, Benzine, Naphtha, Casinghead Gasolene, or any liquid with flash point below 30° F., must be located not less than 80 feet from a track over which passenger trains are moved.

(b) For capacities exceeding 18,000 gallons, the following distances shall govern:

Capacity of Tanks (in gallons) 18,000 to 30,000 30,001 to 48,000 48,001 to 100,000 100,001 to 150,000	Minimum distance from a track over which passenger trains are moved 80 feet 90 feet 110 feet 120 feet
150,001 to 250,000 250,001 to 500,000 Over 500,000	150 feet 200 feet

(c) Where practicable, tanks should be located on ground sloping away from railroad property. Tanks must be surrounded by dikes of earth, or concrete, or other suitable material, of sufficient capacity to hold all the contents of the tanks, or of such nature and location that in case of breakage of the tanks the liquid will be diverted to points such that railroad property and passing trains will not be endangered.

PART II

Rules to be observed in the operation of loading, unloading, and storage facilities established prior to the date of this order for the handling of casinghead gasolene, refinery gasolene, naphtha, or any other inflammable liquid with a flash point below 30° F.

LOADING

1. In loading Casinghead Gasolene, the tank car and the storage tank shall be so connected as effectually to permit the free flow of the gasolene vapours from the tank car to the storage tank, and positively to prevent the escape of these vapours to the air, or the vapours must be carried by a vent line to a point not less than 100 feet distant from the nearest track over which passenger trains are moved.

UNLOADING

2. Where old installations for unloading Casinghead Gasolene are located within 75 feet of a track over which passenger trains are moved, a retaining wall, dike, or earthen embankment shall be placed between the installation and the track, so constructed as effectually to prevent liquids from flowing on to the track in case of accident.

STORAGE

3. Any tank located within 200 feet of a track over which passenger trains are moved and not on ground sloping away from railroad property must, when practicable, be protected by dikes of earth, or concrete, or other suitable material, so that any liquid escaping from the tank will be held or diverted away from railroad property.

General Rules Applicable to Present and Future Installations

STORAGE

- 4. (a) These regulations apply only to aboveground tanks for which railroad service is required. Underground tanks should be considered by interested railroads as occasion may arise. All storage tanks will be considered aboveground unless they are buried so that the top of the tank is covered with at least three feet of earth.
 - (b) All tanks should be set upon a firm foundation.
- (c) Each tank over 1,000 gallons in capacity shall have all manholes, handholes, vent openings, and other openings which may emit inflammable vapour, provided with 20 by 20 mesh brass wire screen, or its equivalent, so attached as completely to cover the openings and be protected against clogging. These screens may be made removable, but should be kept normally firmly attached. Manhole covers, when equipped with suitable should be kept normally firmly attached. gaskets, may be kept normally locked down, and need not be provided with screens. Such a

tank must be properly vented or equipped with a suitable safety valve set to operate at not more than five pounds per square inch for both interior pressure and vacuum. Manhole covers kept closed by their own weight only will be considered satisfactory.

(d) Tanks used with a pressure discharge system must have a safety valve set at not more than one-half of the pressure to which the tank was originally tested.

OPERATION

5. (a) In measuring distance from any roalroad track to an installation for loading or unloading tank cars, the measurements shall be taken from near rail to near rail opposite centre of spotted car.

(b) During the time that the tank car is connected by loading or unloading connections, there must be signs placed on the track, or car, so as to give necessary warning. The party loading or unloading the tank car is responsible for furnishing, maintaining, and placing these signs, and the same party alone has authority to remove them. Tank cars thus protected must not be coupled to or moved. Other cars must not be placed on the same track so as to intercept the view of these signs, without first notifying the party who placed the signs. Before these signs are removed, even temporarily, the party authorized to move them must securely close the outlet valve of the tank car. The outlet valve must not be opened until the tank car is properly protected by signs. Such signs must be at least 12 by 15 inches in size and bear the words "Stop—Tank Car Connected!" or, "Stop—Men at Work!", the word "Stop" being in letters at least 4 inches high, and the other words in letters at least 2 inches high. The letters must be white on a blue background.

(c) These requirements are in conformity with rule 26 of the General Train and Inter-

locking Rules for Single Track, which generally provide as follows:-

A blue flag by day and a blue light by night, displayed at one or both ends of an engine, car, or train indicates that workmen are under or about it; when thus protected, it must not be coupled to or moved, and other cars must not be placed on the same track so as to intercept the view of the blue signals, without first notifying the workmen.

Workmen will display the blue signals and the same workmen are alone authorized

to remove them.

- (d) All connections between tank cars and pipe lines must be in good condition, and must not permit any leakage. They must be frequently examined by the railway company and replaced by the owner or industry when they become worn, in order to ensure at all times absolutely tight connections. Tank cars must not be left connected to pipe lines except when loading or unloading is going on and while a competent man is present and in charge.
- (e) Except when closed electric lights are available, the loading or unloading of tank cars shall not be permitted except during daylight when artificial light is not required. The presence of flame lanterns, nearby flame switch lights, or other exposed flame lights or fires during the process of loading or unloading is prohibited.
- (f) Railway companies shall require hopper doors, dampers, and firebox doors of locomotives in switching service to be closed while passing, and on all locomotives stopping opposite tank cars or cars on next adjoining track bearing signs as per clause 5 (b); also in every case where a locomotive couples to a tank car at a loading or unloading point.

PIPE LINES

6. (a) In laying new pipe lines on railroad property for the loading or unloading of tank cars, they must be laid at a depth of at least three feet, and at points where such pipe lines pass under tracks, they must be laid at least four feet below the bottom of the ties.

(b) Existing aboveground pipe lines on railroad property for the loading or unloading of tank cars should, if required by the railroad in the interest of safety, be laid underground. If practicable, these pipe lines should be laid at a depth of at least three feet, and at points where such pipe lines pass under tracks, they should be laid at least four feet below the bottom of the ties.

And the Board further orders that General Order No. 435, dated December 2, 1926, made herein, be, and it is hereby rescinded.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER NO. 442

In the matter of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, prescribed and approved by General Orders Nos. 203, 204, and 206, dated August 11 and September 7, 1917.

And in the matter of the application of the Canadian Explosives, Limited, for permission to use a ceriain type of container originally imported from Great Britain, for the carriage of black powder from the Applicant's plant at Belovil, Quebec, to its Safety Fuse Works at Staynerville, Quebec:

File No. 1717.44.

Tuesday, the 10th day of May, A.D., 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner.

Upon reading what is filed in support of the application and on behalf of the Bureau of Explosives; and upon the report and recommendation of its Assistant Chief Traffic Officer .-

The Board orders: That paragraph No. 1534, on page 10 of the said Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, be, and it is hereby amended by adding at the end thereof the following, namely:-

Heavy tin cans complying with the regulations of the United Kingdom may be used

for the transportation of black powder under the following conditions:

(a) Not more than fifty pounds of black powder may be shipped in one container, which must be lined with a cloth bag, and after filling the neck of the bag must be securely tied and pushed through the opening into the can. The opening must then be tightly closed by a metal screw cap.

(b) Two of these containers must be placed on their sides in a strong box, with cover,

and separated by a piece of fibre or felt for their entire length.

H. A. McKEOWN, Chief Commissioner.

GENERAL ORDER NO. 443

In the matter of the application of the Eburne Saw Mills, Limited, et al, for an Order requiring the railway companies under the Board's jurisdiction to file joint tariffs covering the movement of all commodities originating upon the Vancouver and Lulu Island Railway destined to points on other lines of railway, in the same way that joint tariffs are filed covering the movement of all commodities originating on the Canadian National Railways, the Canadian Pacific Railway, and the said the Vancouver and Lulu Island Railway, within the interswitching Area set out in General Order No. 252; and that all privileges and rights in respect of interswitching in the said area shall be extended to the Applicants;

And in the matter of the amended application of the said Applicants for an Order, in the alternative, requiring the said railway companies to extend the limits of the interswitiching areas so as to include that portion of the Canadian Pacific Railway Company's lines known as the Vancouver and Lulu Island Railway, now operated by the British Columbia Electric Railway Company, Limited; and to extend to all shippers or consignees on the said Vancouver and Lulu Island Railway the same rights and privileges that are extended to shippers in the interswitching areas in the City of Vancouver and in the City of New Westminster in the matter of services and transportation costs;

And, further, in the alternative, requiring the said railway companies to file joint tariffs covering the movement of all traffic originating at or destined to points on the said Vancouver and Lulu Island Railway, and extending to shippers and consignees on the said Vancouver and Lulu Island Railway the same rates and facilities as are enjoyed by shippers on either the Canadian Pacific or the Canadian National Railways in the natural terminal area of greater Vancouver.

File No. 6713.213.

Tuesday, the 21st day of June, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. Hon. Frank Oliver, Commissioner.

Upon hearing the applications at the sittings of the Board held in Vancouver on the 9th day of July, 1926, and in Ottawa on the 3rd day of May, 1927, in the presence of counsel for the applicants, the Canadian Pacific Railway Company, and the British Columbia Electric Railway Company, Limited, and what was alleged; and upon its appearing that the same rates and privileges are now accorded to all shippers on the Vancouver and Lulu Island Railway within the interswitching limits of Vancouver and New Westminster as are accorded to all other shippers within such limits, and that the said railway companies are prepared, upon request, to publish joint rates between points on the said Vancouver and Lulu Island Railway outside of the said interswitching limits and points on the Canadian National Railways on the same relative basis as applies from other local points on the lines of the Canadian Pacific Railway Company outside the said interswitching limits in the vicinity of Vancouver and New Westminster,—

The Board orders: That the railway companies under the jurisdiction of the Board be, and they are hereby, authorized and directed to publish tariffs to give effect to the foregoing.

H. A. McKEOWN, Chief Commissioner.

GENERAL ORDER No. 444

In the matter of the General Order of the Board No. 151, dated November 8, 1915, prescribing the regulations governing baggage car traffic for the observance of every railway company within the legislative authority of the Parliament of Canada, as amended by General Orders Nos. 179, 181, 191, and 262, dated respectively January 29, February 3, and May 26, 1917, and May 8, 1919, and the application for an Order further amending the said Rules.

File No. 23328

Monday, the 20th day of June, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. A. C. Boyce, K.C., Commissioner.

Upon reading what is filed in support of the application, and the report and recommendation of its Assistant Chief Traffic Officer,—

The Board orders: That the said Regulations Governing Baggage Car Traffic be, and they are hereby, further amended as follows, namely:-

Subsection (a) of rule 5 to be struck out and the following substituted

therefor:-Rule 5. (a) Baby carriages, cribs (collapsible), go-carts, baby sleighs, children's velocipedes and trieveles or similar vehicles, when used in connection with journey of child, will be checked upon payment of charge in accordance with current tariff. Collapsible cribs must be folded and securely fastened or roped. Such articles do not form any part of the free baggage allowance, and the charge therefor is separate from and has no connection with the

charge for excess baggage. Rule 8 to be struck out and the following substituted therefor:—

DOGS AND SMALL HOUSEHOLD PETS (Such as cats, birds, etc.)

Rule S. (a) Dogs not exceeding twenty-five dollars (\$25) in value, when not intended for commercial purposes, exhibition, bench shows, or field trails, and provided with securely fitting collar or harness, and chain or leash, if properly muzzled, all of sufficient strength, or in crates of sufficient strength, provided with handles, and if accompanied by owner or caretaker, will be checked and transported in baggage cars on payment of charge in accordance with current tariff. Dogs properly crated or boxed may be checked through irrespective of wagon transfers en route, but dogs on chain or leash will not be checked beyond a transfer point where a wagon transfer is involved.

(b) Dogs used in producing a theatrical performance or other public entertainment. indoors or out of doors, will be considered as public entertainment paraphernalia, provided they are carried in strong crates or other substantial containers fitted with handles, and will be handled under the provisions of rule 13.

(c) Dogs intended for exhibition, bench shows, field trials, races, or coursing matches will not be regarded as public entertainment paraphernalia, nor will any uncrated dog of any class be so regarded.

(d) Dogs must be claimed immediately upon arrival at destination, otherwise they may be disposed of at the carrier's discretion. Carriers do not assume obligation to feed

or water dogs en route, or to store or care for them at stations.

(c) When checked from stations where an agent is on duty, all charges must be pre-

(f) Dogs do not form any part of the free baggage allowance, and the charge therefor is separate from and has no connection with the charge for excess baggage.

(a) Any dog or crate of dogs exceeding twenty-five dollars (\$25) in value, or intended for commercial purposes, exhibition, bench shows, or field trials will not be transported in baggage service.

(h) The carrier will not be responsible for any sum greater than twenty-five dollars (\$25) for loss of or injury to any one dog on chain or leash, or shipment of dogs in crate, whether caused by or resulting from negligence of the carrier, its servants, or agents, or otherwise howsoever.

SMALL HOUSEHOLD PETS (Such as Cats, Birds, etc.)

(i) When accompanied by a passenger presenting valid transportation, small household pets (such as cats, birds, etc.) not exceeding twenty-five dollars (\$25) in value, and not intended for other persons nor for sale, when in substantial crates or cages, will be transported in baggage cars on payment of charge in accordance with current tariff. The limit of value of one or more pets in crate or cage will be twenty-five dollars (\$25).

(j) Pets will not be checked beyond junction points where wagon or ferry transfer

is required. (k) Pets must be claimed immediately upon arrival at destination. Carriers do not assume obligation to store or care for pets at stations. Passengers must attend to feeding and watering pets en route and at stations.

(b) When pets are checked from a station where an agent is on duty, all charges must be prepaid.

(m) Pets do not form any part of the free baggage allowance, and the charge therefor

is separate from and has no connection with the charge for excess baggage.

(a) The carriers will not accept nor transport in regular baggage service small household pets, such as cats, birds, etc., where the declared value is more than twenty-five dollars (\$25) per shipment.

Rule 12 to be struck out and the following substituted in lieu therefor:-

MISCELLANEOUS ARTICLES

Rule 12. (a) To destinations in Canada, the following miscellaneous articles, other than baggage, will be checked and included in the weight of passengers' baggage, and carried at owner's risk, namely, tool chests, miners' and prospectors' packs, collapsible steamer chairs (roped), invalids' chairs, (when for use of an invalid travelling on same train), unloaded guns in leather or wooden cases, saddles in bags, surveyors' tools wrapped travelly because the property levels compasses and other similar instruments liable to injury; personal except transits, levels, compasses, and other similar instruments liable to injury; personal baggage in bundles, when properly wrapped in canvas or other strong material (paper wrapping excepted) and securely roped; golf, cricket, baseball, or other club paraphernalia in closed receptacles, travellers' rugs, curling stones, snowshoes for personal use when properly tied together, tents and tent poles (not exceeding fifteen (15) feet in length), and fishing rods properly encased.

(b) To destinations in the United States, the following miscellaneous articles other

than baggage will be checked and included in the weight of passengers' baggage, and carried at owner's risk, namely, tool chests, miner's and prospectors' packs, invalids' chairs (when for use of an invalid travelling on same train), surveyors' tools wrapped, except transits, levels, compasses, and other similar instruments liable to injury; personal baggage in bundles, when properly wrapped in canvas or other strong material (paper wrapping excepted) and securely roped; golf, cricket, baseball, or other club paraphernalia when enclosed in trunks or other rigid containers having at least two flat sides opposite each

(c) To destinations in the United States, the following miscellaneous articles other than baggage will be checked upon payment of charge in accordance with current tariff, namely, collapsible steamer chairs (roped), unloaded guns in leather or wooden cases, sadddles, in bags, golf, cricket, baseball, or other club paraphernalia when in closed receptacles other than trunks or other rigid containers having at least two flat sides opposite each other, travellers' rugs, curling stones, snowshoes for personal use when properly tied together, fishing rods and tackle in closed receptacles.

The carrier shall not be liable in respect of or consequent upon loss of or damage or delay to any receptacle containing any of the articles specified and the contents thereoi, or any of such articles not contained in a receptacle, for any amount in excess of five dollars (\$5) whether such loss, damage, or delay is caused by or results from the neghgence of the carrier, its servants, or agents, or otherwise howsoever, unless a greater value is declared and extra charge paid at time of checking, in accordance with current tariff of

the carrier.

(d) To destinations in Canada, sportsmen's and campers' outfits in dunnage bags or medium sized boxes with proper handles, including unloaded guns in leather or wooden cases, tents and tent poles (not exceeding fifteen (15) feet in length), and fishing rods properly encased, will be checked and included in the weight of passengers' baggage and carried at owner's risk, subject to the regular tariff regulations as to size and weight.

Provisions, when enclosed in wooden boxes of medium size and of sufficient strength to withstand ordinary handling, may be accepted and checked subject to charge in accordance with current tariff. The carrier will not be liable in respect of or consequent upon any loss of or damage to any shipment of provisions for any amount in excess of twentyfive dollars (\$25), which sum shall be deemed to be the value of any such shipment, unless a greater value is declared and excess charge paid at time of checking, in accordance with current tariff.

Row boats, motor launches, gasolene, acetylene, coal oil, or liquids of any description, or articles of an explosive or inflammable nature, will not be accepted for carriage in regu-

lar or special baggage car service.

Carcasses of deer, boxes of fish, etc., must be handled by express.

(e) To destinations in the United States, sportsmen's and campers' outfits for private hunting, fishing, or camping parties, consisting of ten poles not exceeding fifteen (15) feet in length, tents, small bundles of bedding, and folding cots when securely wrapped, roped, or strapped, also cooking utensils when in boxes or crates provided with handles, will be accepted and checked and charged for in accordance with current tariff.

The carrier will not accept a greater liability than twenty-five dollars (\$25) per passenger for any one or more receptacles, packages, or articles so checked and transported, unless a greater value is declared at time of delivery to carrier, and charges paid for such

increased valuation in accordance with current tariff.

Subsection (d) of rule 13 to be struck out and the following substituted therefor:-

(d) Aeroplanes, airships, automobiles, motor-cycles, and other conveyances or machines propelled or operated by engines or motors, attached or detached, will not be accepted for transportation in regular or special baggage car service, and applicants will be referred

to the Freight Department or Express Company, except that when such form part of the equipment of circuses, carnival companies, street fairs, or similar organizations, or such conveyances or machines are used in performances of theatrical companies, they may be transported in special cars, subject to special baggage rules. Such articles will not be accepted for shipment unless the gasolene is drained from the

tanks of these machines.

Racing motor-boats and racing automobiles will not be accepted for transportation in regular or special baggage service.

Subsection (f) of rule 13 to be struck out and the following substituted

therefor:-(f) Domestic and trained animals weighing not more than two hundred and fifty (250) pounds each, used in producing a theatrical performance or other public entertainment, will be checked and transported in baggage cars in regular baggage service, or in special cars, subject to special baggage car rules, at the convenience of the carrier, under the following conditions:-

(1) They must be accompanied by owners or caretakers who have purchased proper transportation, and who will provide proper facilities for loading and unloading

(2) They must be properly presented for shipment, which shall be made at con-

(3) If animals are crated, charge shall be based on the actual weight with baggage

allowance, as shown in rule 17.

(1) If not erated, the animals, except dogs on chain or leash, must either be weighed or a careful estimate made of the weight, and charges made accordingly, minimum charge for uncrated animals to be two dollars (\$2). Dogs on chain or leash will be handled in accordance with rule 8.

(5) Animals which may be dangerous, inconvenient, or undesirable to transport in bagge cars in regular service, such as elephants, lions, etc., and those weighing more than two hundred and fifty (250) pounds, will be handled only in special

cars, subject to special baggage car rules.

(6) The animals which may be accepted for transportation in baggage service are only those which are used exclusively and regularly in professional theatrical performances, or other public entertainments, indoors or out of doors, not including those used in such exhibitions as horse or stock shows, round-ups, stampedes, or rodeos. Nor does this rule apply to racehorses, polo ponies, circuses, or animals owned by individuals for their private business or pleasure or for exhibition. Shippers of animals not acceptable for transportation in baggage service, or not otherwise provided for, should be referred to the Express or Freight Department.

Subsection (g) of the said rule 13 to be struck out and the following substituted therefor:-

(g) In the case of baggage and other property carried in regular baggage service under this rule, the carrier shall not be liable for any claim in respect of or consequent upon the loss of or damage to such baggage or property except in the case of negligence of the carrier, its servants, or agents, and in the case of such negligence, such liability shall not exceed the sum of twenty-five dollars (\$25), (which shall be deemed to be its value) for any one animal or crate of animals, or musical instruments, and the sum of \$100 for each adult passenger and \$50 for each child travelling on a half-fare ticket (which shall be deemed to be its value), for all the baggage and property of any one passenger, whether charged for as excess size or excess weight baggage, or carried as free allowance, unless a greater value is declared and charges paid at time of checking, in accordance with the carrier's current tariff.

Subsection (i) of the said rule 13 to be struck out and the following substituted therefor:-

(i) In the case of baggage and other property carried in special baggage cars under this rule, the carrier shall not be liable for any claim in respect of or consequent upon loss of or damage to such baggage or property, except in the case of negligence of the carrier, its servants, or agents, and in the case of such negligence such liability shall not exceed the sum of one hundred dollars (\$100) for each adult passenger and fifty dollars (\$50) for each child travelling on a half-fare ticket, in respect of the baggage and property of each passenger whose baggage and property is being transported in such ear or ears; and when cars are unaccompanied by passengers, the total liability on contents of each ear shall not exceed one hundred dollars (§100), which sum shall be deemed to be the value of such baggage and property, whether charged for as excess size or excess weight baggage, or carried as free allowance, unless a greater value is declared and charges paid at time of checking, as hereinafter provided.

Rule 18 to be struck out and the following substituted therefor:-

Rule 18. (a) Subject to limitations as shown in Rules 19 and 20, three hundred (300) pounds of sample and personal baggage will be checked free between points in Canada only, and then only on presentation of current year's Canadian Commercial Travellers' transportation privilege certificate (on which baggage privileges must be endorsed) together with Commercial Travellers' passage ticket, which must bear corresponding number. Unless otherwise specifically authorized by tariff, no special allowance beyond one hundred and fifty (150) pounds per ticket will be made commercial travellers presenting excursion, summer tourists, convention, or second-class tickets issued to the public, even though commercial traveller's certificate is presented with such ticket. A free allowance of not more than one hundred and fifty (150) pounds of sample and personal baggage will be granted any commercial traveller who is not a member of a recognized Canadian Commercial Travellers' Association. Baggage may be checked to destination of ticket, or to an intermediate point, provided such point is on direct route of ticket, and must be weighed each time checked. Only one commercial traveller is accompanied by an assistant who is solely in his employ or that of the firm he represents, the authorized free allowance may be granted on each ticket.

(b) In consideration of special concessions granted to commercial travellers, the carriers will not be liable for any claim in respect of or consequent upon any loss of or damage or delay to any sample or personal baggage transported for a commercial traveller as such, whether the same is charged for as excess baggage or carried as free allowance.

Subsection (c) of rule 20 is struck out and the following substituted therefor:-

(c) Exceptions: This rule will not apply to the following:

(1) Baby carriages.

- (2) Bicycles not in trunks.
- (3) Toboggans and skis.
- (4) Canoes.
- (5) Steamer and invalids' chairs.
- (6) Guns.
- (7) Surveyors' tripods.
- (8) Club paraphernalia.
- (9) Tent poles.
- (10) Trans-Pacific and Around-the-World baggage, when checked between points in
- (11) Immigrant baggage checked at port of landing.
- (12) Public entertainment paraphernalia, except trunks containing wearing apparel for use on or off the stage.
- (13) Fishing rods, properly encased.

Subsection (a) of rule 26 to be struck out and the following substituted herefor:-

(2) Any articles not specified in the foregoing rules shall not be carried in regular aggage service. When passengers fail to disclose nature of articles offered for checking, nd it develops en route or at destination that the transportation of such articles as aggage is not authorized herein, collection will be made in accordance with current

And it is further ordered that the said Regulations Governing Baggage Car raffic in Canada, as amended, be made effective September 1, 1927; this Order be published in at least three consecutive weekly issues of The Canada azette.

> H. A. McKEOWN. Chief Commissioner.

GENERAL ORDER No. 445

In the matter of the General Order of the Board No. 78, dated July 14, 1911, as amended by General Orders Nos. 389 and 428, dated respectively January 21, 1924, and February 1, 1926; and the application of the Canadian Pacific Railway Compony for an Order extending the time within which it may equip locomotives with water glass guards, as required under the said General Orders Nos. 389 and 428.

File No. 6948.5

Monday, the 18th day of July, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

Upon reading what is filed in support of the application, and upon the report and recommendation of its Chief Operating Officer,—

The Board orders: That the time within which the railway companies subject to the jurisdiction of the Board may equip their locomotives with water glass guards, of aluminum or brass metal, as required by the said General Order No. 389, be, and it is hereby, extended until the 1st day of January, 1928.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 446

In the matter of the General Order of the Board No. 3, dated July 3, 1907, as amended by General Order No. 10, dated May 5, 1908, requiring railway companies within the legislative authority of the Parliament of Canada operating railways by steam power to equip passenger coaches with fire extinguishers, to be approved by the Board.

File No. 4739.20

THURSDAY, the 21st day of July, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

A. C. Boyce, K.C., Commissioner.

C. LAWRENCE, Commissioner.

Upon the report and recommendation of the Chief Operating Officer of the Board,—

It is ordered: That the said General Order No. 3, dated July 3, 1907, a amended by General Order No. 10, dated May 5, 1908, be, and it is hereby further amended by striking out clause 2 thereof and substituting in lieu thereof the following, namely:—

2. That every railway company have the said fire extinguishers inspected and recharge once in every three months, except in the case of fire extinguishers having the valve an handle scaled, which shall be inspected to see that the scales are intact and that there no sign of leakage or other defect, after each trip. In the event of a broken scal, a leakage or other defect being found, the extinguisher must be withdrawn from service, thorough tested, repaired if necessary, and recharged before being returned to service; cause record of such inspections to be kept by the foreman in charge of the passenger coaches at the different terminals where inspections are made; such records to be open for examination by the Board's Inspector when required.

H. A. McKEOWN, Chief Commissione

GENERAL ORDER No. 447

In the matter of the operation by railway companies subject to the jurisdiction of the Board of bridges over navigable waters and canals; and the question of regulations for the navigation through or under and the lighting of such bridges.

File No. 10291.

Wednesday, the 20th day of July, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner. C. LAWRENCE, Commissioner. Hon. Frank Oliver, Commissioner.

Upon reading the regulations covering the navigation through or under, or the lighting of, bridges over navigable waters and canals of Canada approved by Order in Council P.C. 2060, dated October 12, 1923, the submissions on behalf of the Departments of Railways and Canals and of Marine and Fisheries, and the report and recommendation of its Chief Engineer; and in pursuance of the powers conferred upon the Board under section 247 of The Railway Act, 1919, and of all other powers possessed by it in that behalf,-

It is ordered: That the regulations covering the navigation through or under or the lighting of bridges over navigable waters and canals of railway companies subject to the jurisdiction of the Board, be, and they are hereby, approved, namely:-

1. Without restricting the generality of the expression, "movable span"

includes lift, draw, swing, jack-knife, etc.

2. No bridge shall be constructed hereafter over navigable waters or canals except in accordance with the requirements of these regulations, and no plan and/or description of a bridge proposed to be constructed over navigable water or a canal required by The Railway Act, 1919, to be submitted to the Board shall be approved unless and until such plan and description show and indicate that lights conforming to these regulations are to be exhibited.

3. These regulations shall apply to all bridges hereafter constructed, provided that it shall be competent to the Board to suspend the application of these regulations in the case of any bridge, either temporarily or otherwise, when in the judgment of the Board such action is warranted by local conditions, and provided further that the Board may extend these regulations to any existing

oridge when in its opinion it is desirable to do so.

4. The owner of any bridge required under these regulations to exhibit ights shall provide, maintain, and operate such lights of such a nature and ntensity as may be prescribed by the Board, and shall cause them to be exhibited very night from sundown to sunrise during the season of navigation.

5. In the case of bridges with a single fixed span, a white light on each side of the passage under the span shall be exhibited, which lights shall be visible

o boats approaching from either direction.

6. In the case of bridges with a single movable span, there shall be exhibited, addition to the lights required under paragraph 5, a fixed white light on ach end of the centre pier protection, as well as a red light on each side of the lovable arm or arms, located in mid-span and at the lowest level of steel, which ed lights shall change to green when the bridge is fully open to navigation. 62863-333

- 7. If, in its opinion, it is desirable to approve passages for navigation through or under more than one span of a bridge with more than one fixed or movable span, the Board shall indicate the spans under or through which passages for navigation have been approved, and such passages shall be lighted,--
 - (a) In the case of a fixed span, by a white light on each side of the passage, which shall show and be visible only to vessels approaching from the direction which brings the approved passage on their own starboard hand: and

(b) In the case of a movable span, in addition to the above, the lights

required under paragraph 6.

All as shown on diagrams numbered 1, 2, 3, and 4, dated June 14, 1927.

8. (a) Vessels going through or under a bridge where two passages have been approved for navigation shall keep to the passage on their own starboard hand.

(b) When more than two such passages have been approved, special rules governing navigation through or under the bridge shall be made by the Board.

9. The signal to be given by vessels requiring a movable span to be opened

shall be three long blasts of a whistle or horn.

10. Every movable span shall be in charge of some competent person present thereat, who shall open the movable span as promptly as possible upon being signalled as required by paragraph 9 that a vessel desires to pass through, and no vessel shall attempt to pass through until such movable span is fully opened.

11. Such lights and other aids to navigation as may be needed to suit the requirements of navigation, and as specified by the Board, shall be provided

and maintained on all bridges under construction.

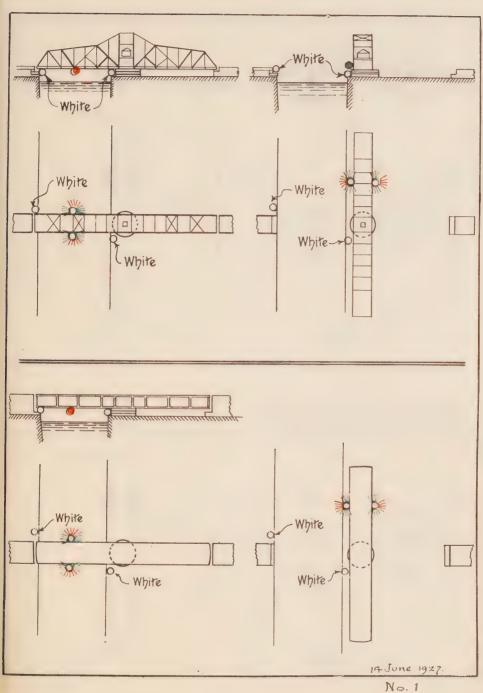
12. It shall be competent to the Board to suspend the application of these regulations in the case of any bridge, either temporarily or otherwise, when in the opinion of the Board such action is warranted by local conditions.

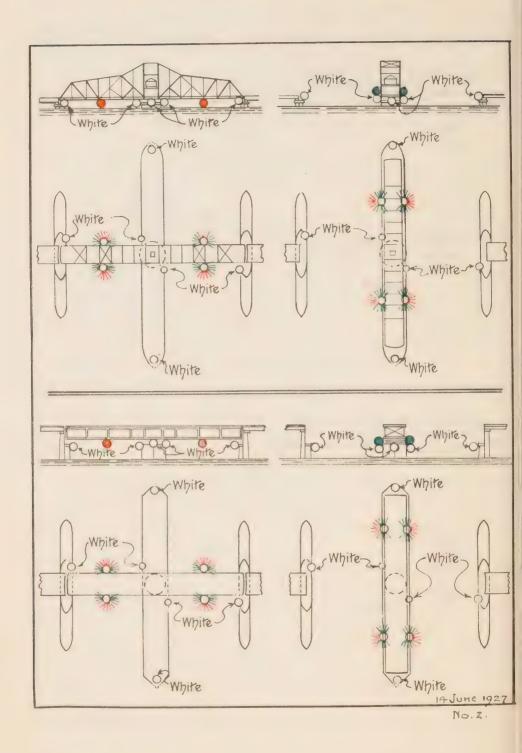
13. Every person who violates any of these regulations shall be liable upon

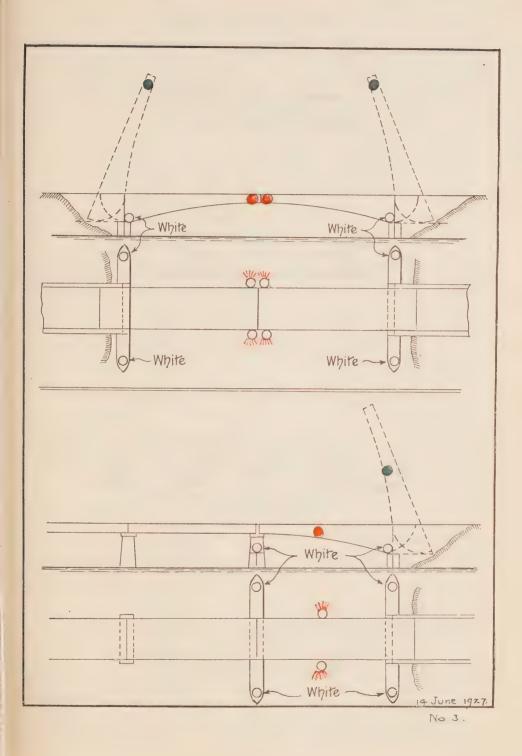
summary conviction to the penalty fixed and determined by law.

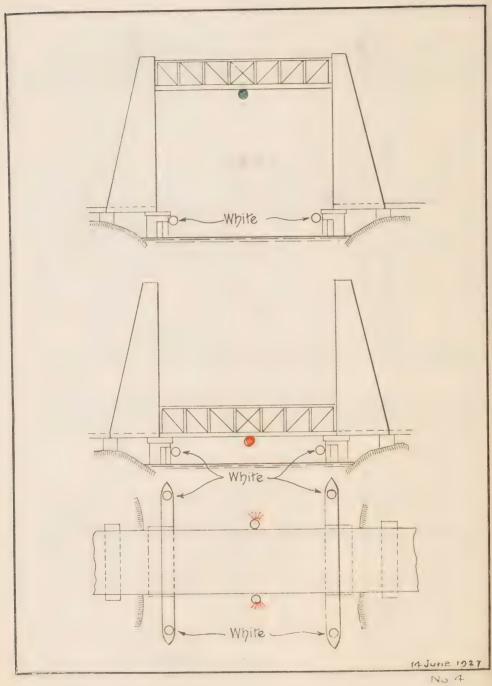
And it is further ordered: That the General Order of the Board No. 124, dated April 30, 1914, as amended by Order No. 22428, dated August 24, 1914. and General Order No. 383, dated June 12, 1923, be, and they are hereby rescinded.

H. A. McKEOWN, Chief Commissioner.









GENERAL ORDER NO. 448

In the matter of the Order in Council, P.C. No. 886, of June 5, 1925, requiring the Board of Railway Commissioners for Canada to make a full and complete investigation into the whole subject of railway freight rates in the Dominion of Canada.

File No. 34123

Friday, the 26th day of August, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner.
S. J. McLean, Assistant Chief Commissioner.
Thomas Vien, K.C., Deputy Chief Commissioner.
A. C. Boyce, K.C., Commissioner.
C. Lawrence, Commissioner.
Hon. Frank Oliver, Commissioner.

Whereas by Order in Council, P.C. No. 886, dated the 5th day of June, 1925, this Board was directed to make a thorough investigation into the ratestructures of railways and railway companies subject to the jurisdiction of Parliament, with a view to the establishment of a fair and reasonable ratestructure which will in substantially similar circumstances and conditions be equal in its application to all persons and localities, so as to permit of the freest possible interchange of commodities between the various provinces and territories of the Dominion, and the expansion of its trade, both foreign and domestic, having due regard to,—

- (a) the claim asserted on behalf of the Maritime provinces that they are entitled to the restoration of the rate basis which they enjoyed prior to 1919;
- (b) the encouragement of the movement of traffic through Canadian ports;
- (c) the increased traffic westward and eastward through Pacific coast ports owing to the expansion of trade with the Orient and to the transportation of products through the Panama canal.

And whereas by Order in Council, P.C. 24, dated the 7th day of January. 1926, the Board was directed, as a part of the general rate investigation above referred to, especially to inquire into the causes of Canadian grain and other products being routed or diverted to other than Canadian ports, and to take such effective action under the Railway Act, 1919, as the Board may deem necessary to ensure, as far as possible, the routing of Canadian grain and other products through Canadian ports.

Upon hearing the matter at the sittings of the Board held in Ottawa. Montreal, Windsor, Toronto, Moncton, St. John, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Kelowna, Vernon, Kamloops, Vancouver, New Westminster. Chilliwack, Victoria, and Prince Rupert, in the presence of counsel and representatives of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the Maritime Provinces, and the Canadian Pacific and Canadian National Railway Companies, the following among other associations and boards of trade were represented at various sittings of the Board or submitted their representations in writing, namely: the Boards of Trade of New Westminster, Prince Rupert, Chilliwack and district, Kamloops, Calgary, Moose Jaw, Saskatoon, Prince Albert, Estevan, Regina, Brandon, Yorkton

Winnipeg, Toronto; Ontario Associated Boards of Trade, Cochrane, Montreai, St. John, Halifax, Charlottetown, Moneton and Sydney; the Victoria Chamber of Commerce, Western Canada Fruit & Produce Exchange, Canadian Council of Agriculture, Retail Merchants' Association, Canadian Manufacturers' Association, Hamilton Chamber of Commerce, Canadian National Millers' Association, Canadian Lumbermen's Association, National Dairy Council of Canada, Fruit Branch, Department of Agriculture of Canada, Livestock Producers of Canada, Live Stock Exchange of Toronto, Quebec Harbour of Commissioners, Chamber of Commerce, Joliette, Quebec, Canadian Pulp and Paper Association and Canadian Freight Association.

The Board orders as follows, namely:

- 1. That the rates on grain and flour from all points on Canadian Pacific branch lines west of Fort William to Fort William, Port Arthur and Westfort be equalized to the present Canadian Pacific main line basis of rates of equivalent mileage groupings (the rates governed by the Crowsnest Pass agreement not to be exceeded): that the Canadian Pacific Railway Company publish rates in accordance with the above direction, and that all other railway companies adjust their rates on grain and flour to Fort William, Port Arthur, Westfort and Armstrong to the rates so put into effect by the Canadian Pacific Railway Company, such changes to become effective on the twelfth day of September, 1927.
- 2. That the rates on grain and flour from prairie points to Vancouver and Prince Rupert for export shall be on the same basis as the rates to Fort William, but in computing such rates, the distance from Calgary to Vancouver via the Canadian Pacific Railway shall be assumed to be the same as from Edmonton to Vancouver via the Canadian National Railway, namely, 766 miles.
- 3. That the provisions as to distributing tariffs, set out in section XVII of the judgment in the Western Rates Case, shall, instead of being limited to the Canadian Pacific Railway, as provided therein, be extended so as to apply to the Canadian National Railway as well; the necessary amending tariffs to be effective on the twelfth day of September, 1927.
- 4. That the rate of 34½ cents per 100 pounds on wheat and 33 cents per 100 pounds on other grain for export from Port Arthur, Fort William, Westfort and Armstrong, Ont., to Quebec, as shown in supplement No. 32 to Canadian National Railway Tariff C.R.C. No. E447 be, and they are hereby disallowed; and the Canadian National Railway Company is hereby directed to publish and file in substitution thereof a tariff showing a rate of 18-34 cents per 100 pounds on all grain for export from Port Arthur, Fort William, Westfort and Armstrong, Ont., to Quebec. Such changes to become effective on or before, but not later than, the 12th day of September, 1927.
- 5. The Board further orders that all railway companies subject to its jurisdiction be, and they are hereby required to publish and file tariffs showing the same rate to Quebec as to Montreal on:

A. Grain from bay ports for export;

B. All traffic from Toronto and points west thereof for export.

Such changes to become effective on or before, but not later than, the 12th day of September, 1927.

H. A. McKEOWN, Chief Commissioner.

GENERAL ORDER No. 449

In the matter of the consideration of the question of a uniform code of regulations governing the testing of hearing and eyesight of railway employees required to take such tests; and the General Order of the Board No. 94, dated July 24, 1912, made herein.

File No. 1750.17.

THURSDAY, the 8th day of September, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner.

In pursuance of the powers vested in it under section 287 of the Railway Act, 1919, and of all other powers possessed by the Board in that behalf; and upon reading the submissions filed on behalf of the Railway Association of Canada, the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Brotherhood of Railroad Trainmen, the Order of Railroad Telegraphers, the Order of Railway Conductors; and upon the report and recommendation of its Chief Operating Officer,-

The Board Orders: That the railway companies subject to the jurisdiction of the Board adopt and put into force, not later than the first day of December, 1927, the rules set forth in the schedule hereto annexed, under the heading, "Uniform Rules Governing the Determination of Visual Acuity. Colour Perception, and Hearing of Railway Employees;" and that the said General Order No. 94, and General Orders Nos. 103, 240, 378, and 387, dated respectively July 24, 1912, April 9, 1913, June 21, 1918, April 13, 1923, and January 8, 1924, made herein, be rescinded.

> H. A. McKEOWN. Chief Commissioner.

UNIFORM RULES GOVERNING THE DETERMINATION OF VISUAL ACUITY. COLOUR PERCEPTION, AND HEARING OF RAILWAY EMPLOYEES

1. Each person selected to make examinations must first pass the examination under an oculist or optometrist designated by the company, such oculist or optometrist then to instruct candidate on the use of the instruments requisite for such examination and certify to candidate qualifications as an examiner.

2. Each examiner shall be provided with

- (a) a set of Snellens test types, with at least three cards of each size of letters shown in different combinations (a single line on each card) for testing acuteness of
- (b) an American Railway Association standard reading card for testing near vision; (c) a Holmgren or Thompson colour-selection test and instructions for use of same; (d) a "Williams" lantern, or one similarly constructed, and instructions for use of

(e) a pair of spectacles or shade for testing each eye separately;(f) a triple-grooved trial frame, with one pair of plus two diopter lenses, one pair of plus one dioptor lenses, and one pair of plane glass roundels; and

(g) blank forms for examinations and certificates.

3. Examinations shall be conducted in a well lighted room or car in which a distance of twenty feet can be measured from test type, or face of lantern, to candidate. Shades or curtains shall be provided in order to darken room or car for lantern test.

4. In testing vision, colour perception, and hearing only those concerned in such test, other than the examiner and candidate, shall be permitted to be present.

5. (a) The result of each examination must be shown on a prescribed form, one copy to be preserved for reference by the examiner, and other copies as required to be forwarded to officers concerned for inspection, record, and file.

(b) Officers concerned must keep proper check, to ensure re-examination of all employees when due, must see that all employees who should be examined by an oculist or optometrist under the rules are required to take such examinations promptly, and that glasses provided are approved by those designated under clause 12.

(c) Examiners will, upon request of candidate, issue to each person who passes a satisfactory examination, a certificate to that effect, and will if desired furnish employees who

fail to pass, a written statement of their rating and cause of failure.

(d) Local officers must report to the (each railway to fill in officer to whom report shall be made) all cases wherein an employee appears to be disqualified, giving full information as to result of examination.

(e) Oculists or optometrists will report result of their examinations to the officers

concerned.

- 6. All applicants for entrance to service under the standards specified, except for classes E and F, must take such examination without the use of glasses for distant vision.
- 7. With the exception of applicants for entrance to service under classes A, B, and C, glasses for near vision may be used by all those undergoing examination for entrance to service, promotion, and re-examination.
- 8. When the distant vision of an employee can be improved appreciably by the aid of glasses, he must wear them while on duty.
- 9. All employees who are required to wear glasses to bring distant vision up to the standards specified must wear them at all times while on duty, and must carry a duplicate pair for use in emergency, and will be examined with each pair.
- 10. All employees, excepting those indoors, who are required to wear glasses for distant vision while on duty must use the spectacle or automobile goggle form, and those indoors should preferably use the spectacle form.
- 11. Automobile goggles, fitted with glass which will not injuriously affect either acuteness of vision or colour perception, may be used by employees in engine or freight train service for the protection of the eyes, but the use of amber glasses by firemen while firing locomotive, as a guard against temporary fire blindness, shall be permitted and should be encouraged.
- 12. Glasses required to bring either near or distant vision up to standards specified must be approved by the oculist, optometrist, or examiner designated by the company.
- 13. Applicants having a squint, or who are cross-eyed, shall not be accepted. Examiners who suspect a case of double vision should use some simple test to determine its presence.
- 14. Enginemen and motormen who have less than 20-40 vision in either eye without glasses must be examined by an oculist or optometrist designated by the company.
- 15. Enginemen and motormen failing to pass indoor tests for acuteness of vision shall, upon request, be examined by a committee of two appointed by the general superintendent, such committee to recommend the service to which they may be assigned.
- 16. Where promotion standard is not specified, employees applying for transfer from one kind of service to another, or being promoted, must pass entrance examination of class they desire to enter, except that those who have been injured in service, or who have been in continuous service for at least two years, may be transferred to positions of switch tenders and occupations under class F; also from one position to another under class E, upon passing the respective re-examination standards.
- 17. Employees who revert from class D, to class C by direction, or consent of the company will be re-examined under class D standard.
- 18. The test type should be in good light, the bottom of the card about on a level with the eye. Place the candidate twenty feet from the card, and ask him to read the type with both eyes open, then cover one of his eyes with a card or shade held firmly against the nose, taking care not to let it press, against the eyeball, and instruct him to read with the other eye such type as may be indicated. Each eye shall be tested separately.
 - (a) Examiners are reminded that the normal-eyed should read the twenty-foot (or 6-meter) letters at 20 feet, in which case the visual power should be expressed by the fraction 20-20. Should a candidate be unable to read the twenty-foot letters at 20 feet, but be able to read the 30-foot letters, the result should be indicated by the fraction 20-30. If he can only read the forty-foot letters record should be 20-40, etc.

(b) The candidate, as provided, in rule No. 7, must be able to read the print in paragraph No. 2 of the Standard Card at a distance of from fourteen to eighteen inches to pass the test. Further tests should be made by having the candidate

read written train orders.

- 19. Applicants for entrance to service in classes A and C will undergo additional test to ascertain if far-sighted to the extent of two diopters. Examiners will use combinations in trial frames representing plane and convex lenses, varying the test so that the candidate's former experience or knowledge obtained from others may be valueless. If an applicant reads without difficulty the twenty-foot letters at 20 feet through convex lenses of 2D he will not be considered satisfactory.
- 20. Examiners shall adhere to instructions laid down by Holmgren or Thompson in using colour-selection test, and shall examine the colour sense of each eye separately. Further examination shall be made with Williams lantern, or one similarly constructed, in the manner specified by Dr. Williams.
 - 21. (a) Applicants who have defective colour sense shall not be accepted into the service in any of the classes specified in following standards.
 - (b) Employees who have defective colour sense shall not be retained in any of the classes specified in the following standards, except in positions to be designated by the company where they will not be required to use or determine the colour of signals.
- 22. No employees shall be disqualified from service by reason of defective colour sense without an examination by an oculist designated by the company.
- 23. In examination of hearing (which shall be with human voice) each ear shall be tested separately, and the candidate should not see the movement of the examiner's lips.
- 24. Applicants for entrance to service must be able to hear and repeat an ordinary conversation, or names and numbers, spoken in a conversational tone, at a distance of 20 feet, in which case the hearing should be expressed by the fraction of 20-20. When conversation can be heard at only ten feet, the hearing should be expressed by the fraction 10-20.
- 25. Employees will not be retained in any of the classes specified if hearing is less than 15-20 in one ear and 5-20 in the other, or less than 10-20 in each ear, except in positions to be designated by the company, where the defect will not prevent the proper and safe performance of their duties.
 - 26. Employees included in the standards of vision must be re-examined as follows:
 - (a) All classes as nearly as possible within two years after the last previous examination;
 - (b) Employees in engine, train, or yard service who are required to wear glasses to bring distant vision to standards specified, and all employees who have less than 20-70 vision in either eye without glasses, must be re-examined annually;
 - (c) After any accident in which they are concerned, which may have been caused by defective vision, colour sense, or hearing;
 - (d) After any serious accident or illness, or severe inflammation of the eye or eyelids;
 - (e) Before promotion. This does not mean that a freight conductor should be examined previous to his appointment as passenger conductor, or an engineman in freight service previous to appointment in passenger service, but that freight brakemen shall be examined before being promoted to freight conductor, and firemen being promoted to engineer;
 - (f) Employees with hearing less than 20-20 in either ear must be examined annually, or more frequently if deemed necessary; and
 - (g) For an individual employee at such periods as may be designated by the company's chief medical officer.
 - 27. (a) Employees in classes A and B who are examined by a committee shall be given an outside or field test. A bracket pole with two dolls, or two straight poles (spaced the same distance as dolls on the standard bracket pole), carrying four standard semaphore arms and lights, will be used. A clear sky background, tests to be made standing.
 - (b) In making the tests candidates shall approach the signals from a point where they are unable to see them, and not be credited with being able to read signals unless they can promptly call changes as made in position of arms and colour of lights.
 - (c) The tests with and without glasses shall be made at distances varying from 5,000 to 200 feet.
 - (d) Committee to record the different distances at which the employees being examined can promptly see the signals, and shall forward this information, together with their recommendations as to the service to which he may be assigned, to the General Superintendent.

STANDARDS OF VISUAL ACUITY

INDOOR TESTS

Class A .- Enginemen, Motormen, Firemen, Motormen's Helpers, Road Service.

Entrance to Service.—Not less than 20-20 in each eye tested separately without glasses, must not accept a plus 2D lens, nor use glasses for near vision.

Promotion.—Not less than 20-30 in one eye and not less than 20-40 in the other without glasses.

Re-examination.—Not less than 20-30 in one eye and not less than 20-40 in the other with or without glasses.

Class B.—Enginemen, Motormen, Firemen, Motormen's Helpers' Yard or other service designated by the company.

Entrance to Service.—Same standard as for Class A.

Promotion.—Same standard as for Class A.

Re-examination.—20-30 in one eye, regardless of vision in the other, with or without glasses.

Class C.—Brakemen in passenger, freight, or yard service, Yard Helpers, Switch Tenders.

Entrance to Service.—Not less than 20-20 in each eye tested separately without glasses.

Must not accept a plus 2D lens, nor use glasses for near vision.

Promotion.—Not less than 20-30 in one eye and not less than 20-40 in the other with-

out glasses. (From Class C to Class D.)

Re-examination.—Not less than 20-30 in one eye, and not less than 20-40 in the other, with or without glasses; or 20-20 in one eye regardless of vision in the other, with or without glasses.

Class D.—Conductors in passenger, freight, or yard service, Yardmasters, Yard Foremen, Train Baggemen.

Entrance to Service.—Not less than 20-30 in each eye without glasses.

Re-examination.—Not less than 20-40 in one eye and not less than 20-50 in the other, with or without glasses; or 20-30 in one eye and not less than 20-70 in the other, with or without glasses; or 20-20 in one eye, regardless of vision in the other, with or without glasses.

Class E.—Station Agents and Telegraph and Telephone Operators concerned with the movement of trains, Signal Foremen and Maintainers, Signalmen, Bridge and Track Foremen, Drawbridge Tenders, Car Inspectors.

Entrance to Service .- Not less than 20-30 in one eye, and not less than 20-40 in the

other, with or without glasses.

Re-examination.—Not less than 20-40 in one eye and not less than 20-70 in the other, with or without glasses; or 20-30 in one eye, regardless of vision in the other, with or without glasses.

Class F.—Crossing Flagmen, Watchmen, Gatemen.

Entrance to Service.—Not less than 20-40 in each eye with or without glasses.

Re-examination.—Not less than 20-50 in one eye and not less than 20-70 in the other with or without glasses; or 20-30 in one eye regardless of vision in the other, with or without glasses.

FIELD TESTS

Class	Without Glasses	-	With Glas	sses
Class B	Or by day, if cloudy with clear atmosphere	200, 400 and 2,000 feet 200, 400 and 2,000 feet	200, 400 and feet. 200, 400 and feet. 200, 400 and feet. 200, 400 and feet.	4,000

GENERAL ORDER No. 450

In the matter of the General Order of the Board No. 151, dated November 8, 1915, approving the Regulations Governing Baggage Car Traffic in Canada; and the application to amend the said Order to make such regulations applicable to Canadian Government Railways.

File No. 23328.

SATURDAY, the 24th day of September, A.D. 1927.

S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner.

Upon reading the application and what is alleged in support thereof,—

The Board Orders: That the said General Order No. 151, dated November 8, 1915, be amended by striking out the words, "other than Government Railways", in paragraph 1 of the operative part of the said order, making the same and subsequent Orders dealing with such traffic applicable to Canadian Government Railways.

S. J. McLEAN,
Assistant Chief Commissioner.

GENERAL ORDER No. 451

In the matter of the consideration of the question of lowering crossing signs so that they may be more readily illumined by the lights of approaching motor cars and, therefore, more readily visible.

File No. 30245.

Wednesday, the 21st day of September, A.D. 1927.

S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. A. C. Boyce, K.C., Commissioner. C. Lawrence, Commissioner.

Upon reading what is filed on behalf of the Railway Association of Canada, the Pere Marquette, Canadian Pacific, and Canadian National Railway Companies, the Department of Public Works of the Provinces of Prince Edward Island, New Brunswick, Manitoba, Alberta, and British Columbia, the Department of Highways of the Provinces of Nova Scotia, Quebec, Ontario, and Saskatchewan, the Michigan Central Railroad Company, Great Northern Railway Company, and Industrial Accident Prevention Associations, Incorporated; and upon the report and recommendation of its Chief Engineer,—

The Board Orders: That "The Standard Regulations of the Board Affecting Highway Crossing Signs as amended May 4, 1910," be, and they are hereby, further amended by adding the following section, namely:—

10. (a) Signs shall be painted white with black letters; shall generally be placed not more than 15 feet from the track, with the edge of the sign as close to the travelled portion of the highway as possible; and shall be at right angles to the highway, facing approaching vehicles.

(b) On straight level approaches, highway crossing signs shall be not less than five feet, nor more than six feet six inches, above the travelled portion of the highway, the said distance to be measured to the low part of the sign, as shown on the diagram dated September 1, 1927. Under other conditions, the same may be varied as necessary to give the best possible aspect from approaching vehicles both night and day.

(c) Where there are grades and curves on the approaches, the line of sight and illumination shall be the first consideration, and highway crossing signs shall be so placed as to be readily illumined and visible from both sides of the track when users of the highway are a reasonable distance away.

And it is further ordered that the new standard be substituted for the existing work as and when replacements of crossing signs are necessary.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 452

In the matter of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, prescribed and approved by General Orders Nos. 203, 204, and 206, dated respectively August 11 and September 7, 1917;

And in the matter of the application of the Canadian Explosives, Limited, for an Order amending paragraph 7 of Shipping Container Specification No. File No. 1717.44.

13:

Tuesday, the 18th day of October, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

Upon the report and recommendation of its Assistant Chief Traffic Officer, and reading what is filed in support of the application,—

The Board orders: That the said paragraph 7 of Shipping Container Specitication No. 13 be, and it is hereby, amended by adding the following paragraph, namely:—

(d) A triple disc-closing device, consisting of one steel disc not less than 0.016'' thick between two felt paper discs not less than 0.055'' thick each, of $2\frac{1}{8}''$ in diameter, secured in a circular depression in the head of not less than $2\frac{1}{8}''$ in diameter and $\frac{1}{8}''$ deep, by means of two semi-circular flaps sheared within this depression in such a manner as to be leakproof.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 453

In the matter of the application of Jas. McDonnell Company Limited, of Montreal, Quebec, for a ruling that hay shipped to Canadian ports for cattle feed on board ocean liners should receive the same privileges as export hay.

File No. 26776.3.

FRIDAY, the 21st day of October, A.D. 1927.

THOMAS VIEN, K.C., Deputy Chief Commissioner. C. LAWRENCE, Commissioner.

Upon hearing the application at the sittings of the Board held in Montreal, May 12, 1927, in the presence of counsel for the applicant company and representatives of the Canadian Freight Association and the Canadian National Railways, and what was alleged; and upon the report and recommendation of its Chief Traffic Officer,—

The Board declares: That hav billed to Canadian ports for feeding cattle on ocean steamers should be accorded the same car demurrage regulations as provided for export traffic.

THOMAS VIEN,

Deputy Chief Commissioner.

GENERAL ORDER No. 454

In the matter of the application of the Railway Association of Canada, on behalf of Member Lines, for extension of authority under Section 345 of the Railway Act, 1919, to permit the granting of free transportation over all lines in Canada to the Lieutenant-Governors and Members of the Provincial Cabinets of the various Provinces. File No. 496.26.7.

Wednesday, the 14th day of December, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. THOMAS VIEN, K.C., Deputy Chief Commissioner. Hon. Frank Oliver, Commissioner.

Upon reading the application and what has been filed in support thereof,-

The Board orders: That the railway companies subject to the jurisdiction of the Board be, and they are hereby, permitted, until further order, to issue free transportation in the following instances, namely: Over all lines in Canada, to the Lieutenant-Governors and members of the provincial Cabinets of the various provinces.

H. A. McKEOWN, Chief Commissioner.

GENERAL ORDER No. 455

In the matter of the application of the Bureau of Explosives for an Order amending the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, in so far as they affect the construction of wirebound boxes for the transportation of matches, as prescribed by General Orders Nos. 203, 204, and 206. File No. 1717.35.

Tuesday, the 20th day of December, A.D. 1927.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon reading what is filed on behalf of the Bureau of Explosives, The Railway Association of Canada consenting,-

The Board orders: That paragraph 1836 (c) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, be struck out and the following substituted therefor, namely:-

1836. (c) All individual containers must be placed in outside packages complying with Specification 6 or 6A. Such outside containers shall have plainly marked thereon the words, "Strike Anywhere Matches," and in addition shall show the name of the manufacturer and the brand or trademark under which such matches are manufactured and distributed to the trade. If the matches are manufactured in a foreign country, the name of the foreign manufacturer shall be printed in English.

2. And the Board further orders that the following specifications be, and they are hereby, approved, namely:-

SHIPPING CONTAINER SPECIFICATION No. 6A-WOODEN BOXES, WIREBOUND

For provisions and restrictions governing the use of these containers, see packing requirements in Freight Regulations.

Effective January 1, 1928

GENERAL REGULATIONS

1. Boxes constructed for use under this or any supplementary specification, must be in ull compliance therewith.

62863-34

2. All inside containers authorized in the regulations to be packed in these boxes must conform with all requirements prescribed, and be packed or cushioned to prevent loss or damage.

MATERIAL

3. (a) All lumber used in the manufacture of boxes under this specification must be well seasoned and commercially dry.

- (b) This lumber, also, must be reasonably sound, free from decay, dote, large knots, slanting shakes, and cross grain. All defects that materially lessen the strength, expose contents to damage, or interfere with proper assembly of parts of container must be eliminated.
- (c) Cleats and battens must be free from objectionable knots and also free from cross grain which runs across the piece within one-half the length of itself.

(d) Binding wires must be annealed steel, and of gauge not less than specified.

GROUPING OF WOODS

4. The principal woods used for boxes are classed for the purpose of these specifications in four groups:

Group 1.

White pine
Norway pine
Aspen (Popple)
Spruce
Western (yellow) pine
Cottonwood
Yellow poplar
Balsam fir

Chestnut
Sugar pine
Cypress
Basswood
Willow
Willow
Millow
Magnolia
Balsam fir
Buckeye

Lodgepole pine Jack pine

Group 2

Southern yellow pine Hemlock N.C. pine Douglas fir Larch (tamarack)

White fir

Redwood

Butternut

Cucumber

Alpine fir

Cedar

Group 3

White elm Red gum Sycamore Pumpkin ash Black ash Black gum

Tupelo Maple-soft or silver

Group 4

Hard maple Beech Oak Hackberry Birch Rock elm White ash Hickory

- 5. Sides, top, bottom, and ends must consist of lumber from Groups 2, 3, or 4 woods, except as provided for in paragraph 10, and graded as prescribed.
 - 6. Cleats and battens must consist of lumber graded as prescribed.

DIMENSIONS OF PARTS

- 7. Boards must conform to requirements for thickness specified in paragraph 10, except that variation of not exceeding ½2 inch thereunder is allowed up to 10 per cent of the area thereof. Adjacent edges must be cut true and be in close contact. Boards must average not less than 4 inches in width with a minimum width of not less than 2½ inches. Variation of ½2 inch is allowed from cross section measurements specified herein, for cleats, battens and handles. Dimensions of lengths, width, and height are outside measurements.
- 8. Cleats must have a thickness not less than $\frac{3}{4}$ inch and the sum of the thickness and width must be not less than $1\frac{5}{8}$ inches.
- 9. Battens must have a thickness not less than that of the cleats and a width of not less than $2\frac{1}{8}$ inches.
- 10. All boxes made under this specification must consist of parts having dimensions not less than those described below, in addition to conforming to paragraphs 8 and 9, except as provided for in paragraph 7: Provided that slash-grain lumber made from Group 4 woods may have the thickness reduced by not more than twenty-five per cent.

Maximum gross and I de	Thickness	Minimum s of lumber			Binding wi	res
Maximum gross weight of package			Dattens	Mini	mum	Maximum
pounds	Ends	Sides, top and bottom	Number	Number	Steel wire gauge	Spacing
50. 50. 100. 100. 200. 200. 300. 300. 400. Lumber from Group 1 woods 1	inches 3/16 3/16 1/4 1/4 3/8 3/8 3/8 3/8 3/8 3/8	inches 3/16 3/16 3/16 3/16 1/4 1/4 1/4 5/16 5/16 3/8	1 1 2 2 3 3 4	4 3 4 3 6 5 6 5 5 5	15 14 14 14 14 13 14 13	inches 5 5 5 6 6 6 7 7 7

Lumber from Group 1 woods may be used under the restriction that thickness must be increased by not less than 25 per cent.

MANUFACTURE

11. All boxes specified herein must be as follows:-

(a) Completely closed, free from all openings, and with all joints in close contact,

(b) All parts must be cut true to size and form.
(c) Top, side, and bottom sections must be connected by three or more binding wires, and also must be reinforced at both ends by cleats stapled to boards. cleats must fit together at ends in mortise and tenon or mitered joints.

12. Wires.—Binding wires must be of annealed steel, of gauge specified in paragraph 15. Water.—Dinding whee must be of annealed steer, of gauge specified in paragraph 15, uniformly spaced, each wire being continuous once around the box: Provided that wires of not less than No. 12 Gauge, stapled as required by paragraph 13, may be in sections, if one of the two loops at connecting ends of sections is passed through the other and bent back securely against the box.

13. Staples.—Staples used on end binding wires must be not less than No. 16 gauge and 1½ inches long, and must be driven home astride the wires, through boards and interpretations of the state of the cleats, and be anchored in the cleats. Staples used on intermediate binding wires must not be less than No. 18 gauge, and must be driven astride the wires, through boards, and be firmly clinched. All staples must be spaced with centers not more than 2 inches apart for Group 3 and 4 woods. One and three-quarter inches for Group 2 woods, 1½ inches for Group 1 woods, and staple next adjacent to corners and edges must be not more than 13 inches therefrom. Staples are not required to be driven over binding wires into handles.

14. Each end must be securely fastened on the inside to three end cleats, and to all battens that are prescribed with staples not less than 16 gauge by 13/16 inch long, or with not smaller than 2 penny cement-coated wire nails spaced not more than 2½ inches apart and not less than 2 inches from ends of cleats.

15. Battens, when prescribed, must be spaced equally on outside of end pieces, and be secured across the grain of the same.

CLOSURE

16. In closing the box the ends of the binding wires must be drawn tightly together and twisted with not less than 3 complete twists, and the twisted ends to be forced flat against the side of the box parallel to the binding wires; or, when binding wires have loops at each end, one loop must be passed through the other and bent securely back against the side of the box. MARKING

17. (a) Each box must be plainly marked with a symbol consisting of a rectangle, as follows:

C.R.C.—6Axxx

The stars are to be replaced by figures to show gross weight for which the box is ntended.

(b) The letters and figures in this symbol must be at least ½ inch high. This symbol hall be understood to certify that the package complies with all requirements of this

H. A. McKEOWN.

Chief Commissioner.

CIRCULAR No. 211

Air brakes on transfer trains or drags in movement between yards

File 1750.210.8

February 7, 1927.

In the movement of cars between yards at terminal or other large centres, such as the different sorting, distribution, or storage yards at the head of the lakes, Vancouver, Toronto, Montreal, etc., the question of the use of air brakes on transfer trains or drags moving between yards has recently, and on several prior occasions, been the subject of discussion between the Board's Operating Department and the railway companies, the latter taking the position that the transfer movements referred to are not trains, and consequently clauses 1 and 2 of General Order No. 236 has not been considered as being applicable.

The Board's records show accidents having occurred that, in the opinion of the Board's operating officers, might have been avoided, or at least minimized, had the air brakes been applied in accordance with clauses 1 and 2 of the Board's General Order No. 236, and the Board's officers are of the opinion that these transfer movements should be subject to the clauses of order above mentioned, and the rules, as at present applied in the case of freight train move-

ments, made applicable to such transfer movements.

Railway companies subject to the Board's jurisdiction, and the railway associations, are requested, within thirty days, to show cause why such ruling

should not be made.

In the case complained of by Mr. C. Lawrence, Legislative Representative of the B. of L. E., under date of December 13, 1917, the attached letter addressed to Mr. Temple of the Canadian Northern is the Board's decision made at the time, and the same is forwarded herewith for the information of the railway companies.

By order of the Board,

A. D. CARTWRIGHT. Secretary, B.R.C.

February 14, 1918.

Complaint of B. of L.E. re C.N.R. handling long freight trains between Rosedale and Cherry St. Yards, Toronto. File 1750.208.

DEAR SIR,—Referring to the above matter and to your letter of the 6th inst., I am directed to state that the Board is of opinion that the movements between Rosedale and Cherry Street Yards should be treated as road movements as far as General Order No. 65, section 1, is concerned.

Yours truly,

· A. D. CARTWRIGHT, Secretary.

R. H. M. TEMPLE, Esq., Asst. Solicitor, C.N.R., Toronto, Ont.

CIRCULAR No. 212

File 26602.66.

May 9, 1927.

Railway companies under the jurisdiction of the Board are directed to show cause why a general order should not issue requiring all such railway companies to observe and perform the directions given on bills of lading by shippers, as to the routing of traffic, when routing is opened under the tariffs in force.

I am further directed to state that all railway companies are required to file, within twenty days, their respective submissions showing cause against such an Order, after filing of which the matter will be set down for hearing at a

By order of the Board,

A. D. CARTWRIGHT. Secretary.

CIRCULAR No. 213

Maritime Freight Rates Act, 17 Geo. V, Chap. 44

File No. 34822.

June 18, 1927.

- 1. At the last session of Parliament the Maritime Freight Rates Act (17 George V, chapter 44) was passed, and provided, among other things, the following:-
- 9. (1) Other companies owning or operating lines of railway in or extending into the select territory may file with the Board tariffs of tolls respecting freight movements similar to the preferred movements, meeting the statutory rates referred to in section seven of this Act. The Board, subject to all the provisions of the Railway Act respecting tariff of tolls, not inconsistent with this Act, shall approve the tariffs of tolls filed under this

(2) The provisions of subsection two of section three and of sections seven and eight

- this Act shall apply to the tariffs of tolls filed under this section.

 (3) The Board on approving any tariff under this section shall certify the normal tolls (3) The Board on approving any tariff under this section shall certify the normal tolls which but for this Act would have been effective and shall, in the case of each company at the end of each calendar year promptly ascertain and certify to the Minister of Rail-above referred to on all traffic moved by the company during such year under the tariff so approved. The company shall be entitled to payment of the amount of the difference so certified, and the Minister of Railways and Canals shall submit such amount to Parliament if then in session (or if not, then at the first session following the end of such calendar year) as an item of the estimates of the Department of Railways and Canals.
 - 2. Section 11 of the said Act reads as follows:-
- 11. The Board may hear and determine all questions arising under this Act subject to such rights of appeal as are provided in the Railway Act.
- 3. Companies owning or operating lines of railway in or extending into the select territory, have applied to the Board for a ruling as to the interpretation of above quoted section of the Act with regard to the freight movements with respect to which they may file reduced tariffs of tolls and claim compensation under the provisions of subsection 3 of said section 9.

I am, therefore, directed to inform you that the Board has made the following rulings on the interpretation to be given to section 9 of the said Act:-

- (a) "Select territory" covers all railway lines in the whole territory of the provinces of New Brunswick, Nova Scotia and Prince Edward Island, and that part of the province of Quebec from its eastern boundary to Diamond Junction and Levis, including the whole of the Matapedia valley and the Gaspe pen-
- (b) "Freight movements similar to the preferred movements" embraces the traffic defined in section 4, subsection 1, namely, local traffic all-rail between points in select territory; traffic moving outward, westbound, all-rail, from

points in the select territory to points in Canada, beyond the limit thereof; traffic moving outward, export traffic, rail and sea, from points in the select

territory through ocean ports in said select territory destined overseas.

(c) "Meeting the statutory rates" means that these other companies, with respect to freight movements similar to the preferred movements, may reduce their rates to the level of the rates reduced under the provisions of section 3 of the Act, provided, however, that such reductions shall in no case exceed 20 per cent from the normal rates to be certified by the Board.

(d) That with respect to tariffs that the companies may file in conformity with the above interpretations, the companies will be entitled to the payment of the difference between the tariff tolls and normal tolls certified by the Board

under section 9, subsection 3, of the Act.

By order of the Board,

A. D. CARTWRIGHT, Secretary.

CIRCULAR No. 214

Re Daylight Saving Time for watchmen or gatemen.

File No. 27921.1.

June 20, 1927.

The question of changing the hours of a crossing watchman or a gateman at a level crossing within the limits of a city or town that adopts daylight saving time for a certain period of the year, where such watchman or gateman is employed less than the full twenty-four hours of the day, has been raised.

Until further order the Board rules that any order fixing the hours of employment of such watchman or gateman shall be made to conform to the daylight saving hours during the period adopted by the council of such municipality.

By order of the Board,

A. D. CARTWRIGHT, Secretary.

CIRCULAR No. 215

Re Head-on Collisions.

December 12, 1927.

I am directed to call your company's attention to two very serious accidents that have occurred recently, a head-on collision in each case, at the meeting point, which was arranged by train order, Form A, there being an instruction issued in each case that the train in the superior direction take the passing track.

The Board is of the opinion that railway companies would be well advised to seriously consider placing very severe restrictions on the issuance of orders

reversing the right to track of trains at the meeting point.

By order of the Board,

A. D. CARTWRIGHT, Secretary.

File 35618.

December 12, 1927.

DEAR SIR,-Referring to attached Circular No. 215, I am directed to ask the railway companies to state forthwith what steps they are taking and are prepared to take to prevent a recurrence of accidents of this nature.

Yours truly,

A. D. CARTWRIGHT, Secretary.

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DOMINION OF CANADA

TWENTY-FOURTH REPORT

OF THE

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

FOR THE YEAR ENDING DECEMBER 31 1928







DOMINION OF CANADA

TWENTY-FOURTH REPORT

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BOARD OF RAILWAY COMMISSIONERS

FOR CANADA

FOR THE YEAR ENDING DECEMBER 31 1928



OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1930

THE BOARD OF RAILWAY COMMISSIONERS FOR CANADA

Hon. H. A. McKeown, K.C., Chief Commissioner.

S. J. McLean, M.A., LL.B., Ph. D., Assistant Chief Commissioner.

Thos. Vien, K.C., Deputy Chief Commissioner.

C. LAWRENCE, Commissioner.

Hon. Frank Oliver, Commissioner.

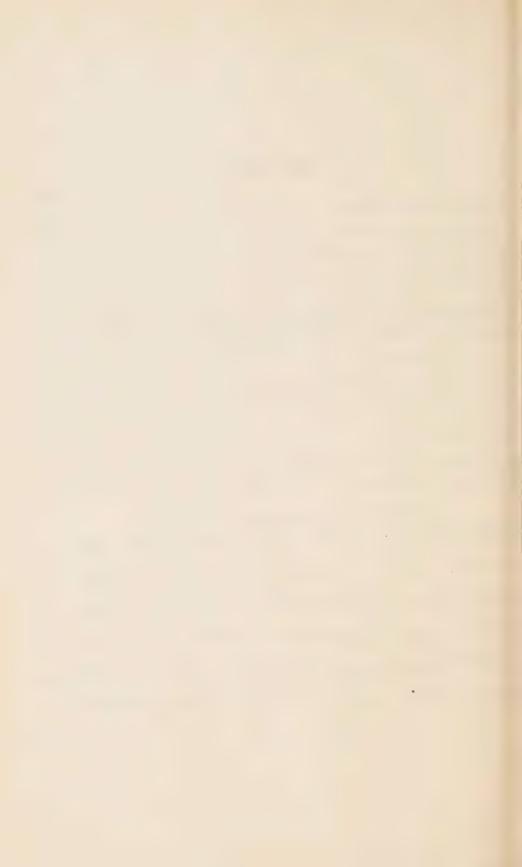
Hon. T. C. Norris, Commissioner.

A. D. CARTWRIGHT,

Secretary.

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REPORT

OF THE

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

To the Governor in Council.

Pursuant to the provisions of section 31 of the Railway Act, 1919, the Board of Railway Commissioners for Canada has the honour to submit its Twenty-fourth Report for the year ending December 31, 1928.

Since the publication of the last report the following amendment has been

made to the Railway Act, 1919:-

18-19 GEORGE V

CHAPTER 43

An Act to amend the Railway Act

[Assented to 11th June, 1928.]

IS MAJESTY, by and with the advice and consent of the R.S., c. 170. Senate and House of Commons of Canada, enacts as fol-

The Railway Act, being chapter one hundred and seventy of the Revised Statutes of Canada, 1927, is amended as follows:-

1. Section two hundred and sixty-two of the said Act is repealed and the following is substituted therefor:-

"262. (1) The sums heretofore or hereafter appropriated and Railway set apart to aid actual construction work for the protection, safety Grade Crossing and convenience of the public in respect of highway crossings of rail-Fund. ways at rail level shall be placed to the credit of a special account o be known as "The Railway Grade Crossing Fund," and shall insofar as not already applied) be applied by the Board, subject to he limitations hereinafter set out, solely towards the cost, not includng that of maintenance and operation, of actual construction work or the protection, safety and convenience of the public in respect of rossings (railway crossings of highways or highway crossings of ailways) at rail level in existence on the first day of April, one thouand nine hundred and nine, and in respect of existing crossings railway crossings of highways or highway crossings of railways) t rail level, constructed after the first day of April, one thousand ine hundred and nine, provided, however, that the Board shall not pply any moneys out of The Railway Grade Crossing Fund towards ne cost of the actual construction work, for the protection, safety nd convenience of the public in respect of any existing crossing

(railway crossing of a highway or highway crossing of a railway), at rail level, constructed after the first day of April, one thousand nine hundred and nine, unless and except an agreement, approved of by the Board, has been entered into between the company and a municipal or other corporation or person by which agreement the municipal or other corporation or person has agreed with the company to bear a portion of the cost of the actual construction work for the protection, safety and convenience of the public in respect of such crossing (railway crossing of a highway or highway crossing of a railway), at rail level, constructed after the first day of April, one thousand nine hundred and nine.

Apportionment of money by Board. (2) The total amount of money, to be applied by the Board out of The Railway Grade Crossing Fund, under the provisions of this section, in the case of any one crossing, where the cost of the actual construction work in providing the protection, safety and convenience for the public does not exceed one hundred thousand dollars, shall not exceed forty per cent of such cost, and the total amount of money, to be applied by the Board out of The Railway Grade Crossing Fund, under the provisions of this section, in the case of any one crossing, where the cost of the actual construction work in providing the protection, safety and convenience of the public exceeds one hundred thousand dollars, shall not exceed forty per cent of such cost, and shall not in any case exceed one hundred thousand dollars.

Provincial contribution to Fund.

(3) In case any province contributes towards The Railway Grade Crossing Fund, the Board may apportion, direct and order payment out of the amount so contributed by such province for the purpose of the said fund, subject to any conditions and restrictions made and imposed by such province in respect of its contribution.

" Crossing " defined.

(4) In this section "crossing" means any railway crossing of a highway, or any highway crossing of a railway, at rail level, and every manner of construction of the railway or of the highway by the elevation or the depression of the one above or below the other, or by the diversion of the one or the other and any other work ordered by the Board to be provided as one work of protection, safety and convenience for the public in respect of one or more railways of as many tracks crossing or so crossed as in the discretion of the Board determined.

Grant for railway level crossings.

(5) The grants or the unexpended portions or moneys thereof made under the provisions of the Acts, chapter thirty-two of the statutes of 1909, chapter fifty of the statutes of 1914, and chapter thirty of the statutes of 1919, of two hundred thousand dollars each year for twenty consecutive years from the first day of April, one thousand nine hundred and nine, may, from and after the passing of this Act, notwithstanding any provision of any of the said Acts, be expended to aid actual construction work for the protection, safety and convenience of the public in respect of crossings (railway crossings of highways or highway crossings of railways) at rail level in existence on the first day of April, one thousand nine hundred and nine, and in respect of existing crossings (railway crossings of highways or highway crossings of railways) at rail level, constructed after the first day of April, one thousand nine hundred and nine, subject to the terms and conditions in this section contained."

2. Subsection one of section two hundred and ninety-five of the said Act is repealed and the following is substituted therefor:-

"295.(1) A printed copy of so much of any by-law, rule or Printed regulation, as affects any person, other than the shareholders, or the officers or employees of the company, shall be openly affixed, and kept affixed, to a conspicuous part of every station belonging to the company, so as to give public notice thereof to the persons interested therein or affected thereby.

Nothing in this subsection contained shall apply to any by-law Publication for the regulation of highway traffic upon or over a railway bridge, of by-law for public notice of which by-law shall be sufficiently given, to persons of highway interested therein or affected thereby, by the publication thereof in traffic.

one issue of the Canada Gazette."

PUBLIC SITTINGS OF THE BOARD

During the year covered by the period from January 1, 1928, to December 31, 1928, the Board held 48 public sittings at which 185 applications were heard. The number of public sittings held in the various provinces were as follows:-

Provinces		M
Ontario		number
Ontario	٠.	. 33
Quebec. Manitoha		. 7
Manitoba		. 2
Saskatchewan. Alberta		. 3
Alberta		. 3
British Columbia Nova Scotia		
Nova Scotia New Brunswick		
New Brunswick		
Prince Edward Island		
Total		
Total		48

The applications include a great variety of matters falling within the juristion of the Board under the Railway Act, varying from a complaint of a private individual to weightier matters of general public interest affecting the community as a whole.

FORMAL AND INFORMAL MATTERS

The number of informal matters dealt with by the Board, as distinguished from matters heard at public sittings, constitute a considerable percentage of the total applications and complaints dealt with by it; that is to say, of a total of 3,396 applications and complaints received and dealt with by the Board, 95 per cent were disposed of without the necessity of such formal hearing. These informal complaints, dealt with and settled without the necessity of hearing, entail in many instances a considerable amount of inquiry and consideration on the part of the Board's officials, and cover a wide range of subjects, as, for example, a complaint of a more or less trivial nature to a matter of general public interest affecting the community as a whole, or involving the application of some general principle, regarding the railway rates.

RAILWAY GRADE CROSSING FUND

In accordance with the provisions of subsection (5) of section 262 of the Railway Act, 1919, provision was made that the sum of \$200,000 each year, for ten consecutive years from the 1st day of April, 1919, be appropriated and set apart from the consolidated revenue fund for the purpose of aiding actual construction work for the protection, safety and convenience of the public in respect of highway crossings of railways at rail level, in existence on the 1st day of April, 1909, the said sums to be placed to the credit of a special account to be known as "The Railway Grade Crossing Fund", to be applied by the Board, subject to certain limitations set out in the Act and amending Acts, solely towards the cost (not including that of maintenance and operation) of actual construction work for the purpose specified.

In dealing with such crossings, the Board issued, between the 1st day of April, 1909, and the 31st day of December, 1928, 867 orders, providing protection

for 973 crossings, as follows:-

By automatic interlocking plants (street railway protection)	13
	92
By closing crossings.	
By diverting crossings.	2
By diversion highways	99
By diversion to bridge	4
By diversion and double bell and wigwag	1
By diversion to improve view.	1
By diversion to right angle crossing	2
By diversion and removal view obstruction	1
By diversion to subway	2
By electric bells	274
By electric bells and flash-light.	2
By electric bell and hash-light.	9
By electric bell and removal view obstruction.	OF O
By electric bell and wigwag	253
By electric bell and wigwag and removal view obstructions	7
By easing curve on approach to highway bridge.	1
By gates	123
By gates and half interlocker.	1
By grade reduction.	1
By overhead bridges.	43
By removal view obstructions	60
By removal view obstructions and reducing grade.	2
By shelter	ĩ
	88
By subways	3
By towers	177
By wigwags.	17

It will be seen by comparing the total number of crossings protected with the Twenty-third Annual Report of the Board that the increase for the twelve months ending December 31, 1928, in the number of crossings protected number 119, made up as follows:—

By automatic interlocking plants (street railway protection)	2
	20
By diversion crossings	2
By diversion highways	13
By electric bell and wigwag.	94
By electric bell and wigwag and removal view obstruction	1
	8
By removal view obstructions	12
By subways.	6
1	58
1	.00

Note.—One hundred and nineteen crossings and 158 protections consequent on account of 13 diversions closing 20 crossings and double bell and wigwag at 26 crossings.

It will be noted that under the amendment to the Railway Act, chapter 43, 18-19 George V, the total amount of money to be apportioned and directed and ordered by the Board to be payable from the annual appropriation, in the case of any one crossing where the cost of the actual construction work in providing protection, safety and convenience for the public does not exceed one hundred thousand dollars, shall not exceed forty per cent of such cost, and the total amount of money to be applied by the Board out of the Railway Grade Crossing Fund under the provisions of the section, in the case of any one crossing where the cost of the actual construction work in providing protection, safety and convenience for the public exceeds one hundred thousand dollars, shall not exceed forty per cent of such cost, and shall not in any case exceed one hundred

thousand dollars. Provision is also made that in case any province contributes towards the Railway Grade Crossing Fund, the Board may apportion, direct and order payment out the amount so contributed by such province for the purpose of said fund, subject to any conditions and restrictions made and imposed by such province in respect of its contribution.

GENERAL ORDERS

The following is a brief summary of some of the matters dealt with under the Board's General Orders during the year ending the 31st December, 1928:-

General Order No. 456, dated March 8, 1928, directing that with respect to freight traffic moving between points within Canada, if there are no through rates in effect to destination, shipments must be forwarded via the route which will give the lowest combination of local rates, or charges must be based thereon if traffic is forwarded via other routes.

General Order No. 457, dated March 24, 1928, in the matter of application of the Canadian Freight Association for approval of Supplement No. 4 to Canadian Freight Classification No. 17. The Board directed that said Classification No. 17 be approved, subject to certain changes and additions, as set out in said Order.

General Order No. 458, dated March 27, 1928, with regard to regulations respecting Railway Safety Appliance Standards. The Board directed that boarding cars without end platforms constructed or reconstructed subsequent to the 1st day of May, 1928, and used on railways owned or operated in Canada, be as set forth in the Regulations with Respect to Railway Safety-Appliance Standards approved by the Board's General Order No. 102, dated February 7, 1913, with certain exceptions as detailed in said order.

General Order No. 459, dated June 7, 1928 dealing with the matter of regulations for the transportation by freight of Explosives and Dangerous Articles, as approved by the Board's General Orders Nos. 203 and 204, and providing for certain amendments thereto with regard to Shipping Container Specification

No. 14, as set out in said order.

General Order No. 460, dated June 16, 1928, directing that effective not later than July 15, 1928, all tariffs filed with the Board by railway companies subject to its jurisdiction, providing for diversion of carload traffic in transit, between Canadian points, shall have included and incorporated therein the following rule:-

"When requested by the owner of the property, or his representative, this railway company will make diligent efforts to locate the shipment and effect diversion in transit of carload traffic under the following conditions, but will not assume any responsibility for failure to accomplish diversion unless such failure is due to the negligence of its employees".

General Order No. 462, dated September 20, 1928, reciting that the Interstate Commerce Commission had in its Tariff Circular No. 20 prescribed certain symbols to indicate changes in rates or charges, rules, regulations or practices in freight tariffs, to become effective on October 1, 1928, which would be applicable with respect to international tariffs, and it being desirable that there should be uniformity of symbols in Canadian tariffs covering movements wholly within Canada as well as to United States points: The Board directed that rule No. 22 of Circular No. 204 be made applicable to passenger tariffs and supplements thereto only; and that rule number 22-A as set out in said Order No. 462 be made applicable to freight tariffs and supplements thereto which may be filed with the Board on or after October 1, 1928.

General Order No. 463, dated September 19, 1928, provides for an amendment to the Board's General Order No. 403, dated June 6, 1924, requiring railway companies to install electric lights in the classification and marker lamps of all locomotive engines in service which are or may be equipped with electric

light installations, as set out in said order.

General Order No. 466, dated December 10, 1928, provides that paragraph 1903 (a) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight be struck out and clause substituted therefor as set out in said order.

GENERAL DECISIONS AND RULINGS OF THE BOARD

Submitted herewith, epitomized, are some of the more important matters dealt with by the Board at its public sittings for the year ending December 31, 1928.

WOODS MANUFACTURING CO. V. CANADIAN NATIONAL RAILWAYS

Branch Lines—Agreement—Jurisdiction—Railway Act, Sections 180 to 184
The Board has no jurisdiction under the branch lines sections (180 to 184 of
the Railway Act) either to fix the terms of an agreement for the co-operative construction and maintenance of a siding constructed under these sections or to
revise the terms of such an agreement.

(Carroll Bros. v. G.T.R., 28 C.R.C. 35, followed).

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated January 9, 1928, concurred in by the Chief Commissioner. C.R.C., Vol. XXXIV, p. 307.

FORD CITY et al V. CANADIAN NATIONAL RAILWAYS

Farm Crossing—Highway Crossing—Status—Increased Traffic—Legalization— Senior and Junior Rule—Cost—Railway Act, 1919, sections 272, 273.

The Board must consider various questions in opening crossings over railways, e.g., the needs of the public, the effect of the crossing on the operation of the railway, questions of public safety, and the well established principles in

regard to factors affecting distribution of cost.

Where a crossing originated as a farm crossing, it continues to hold that status, notwithstanding the increase in the volume of traffic. The increase in the volume of traffic does not make it into a public highway. It is a crossing, under the Railway Act, for a particular purpose and must obtain the sanction of the Board before it can be legalized as a highway. It therefore comes under the operation of the junior and senior rule.

Work done on a highway on both sides of the railway right of way does not

Work done on a highway on both sides of the railway right of way does not convert a farm crossing into a highway. A farm crossing under section 272 of the Railway Act, 1919, when it is given of right is a crossing "convenient and proper for the crossing of the railway for farm purposes." A crossing under section 273, when it is of grace, is a crossing which "the Board deems it necessary for the proper enjoyment of his land, and safe in the public interest."

The application of the town of Ford City and landowners for the construction of highway crossings where Strabane avenue and Central avenue (230 feet apart) intersect the lands of the Canadian National and Essex Terminal Railway Companies where farm crossing had formerly existed, was refused. Nine tracks crossed the railway lands 690 feet in width opposite Strabane avenue and 520 feet in width opposite Central avenue; the existing condition was utterly unfitted for any type of level crossing, however protected, and the situation from a traffic standpoint was too dangerous to justify a level crossing. The Board authorized a crossing to be made by the town at Central avenue, to be provided by means of a subway, at its own expense.

(City of London v. G.T.R. (Ashland Avenue Crossing), 20 C.R.C. 242; Ford City v. G.T.R., 20 C.R.C. 1; Lachine v. G.T.R., 18 C.R.C. 385; Town of St. Pierre v. G.T.R., 13 C.R.C. 1; Montreal v. C.P.R., 18 C.R.C. 50,

referred to.)

The facts are fully set out in the Judgment of the Assistant Chief Commissioner, dated January 27, 1928, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXIV, p. 134.

CANADIAN SHIPPERS' TRAFFIC BUREAU V. CANADIAN NATIONAL RAILWAYS $et\ al$

Tolls—Reasonableness—Past Transaction—Jurisdiction

The Board has no power to make a declaratory order as to the reasonableness of rates connected with a past transaction. Its jurisdiction as to the reasonableness of rates pertains to the future; it is not retroactive.

Toll—Export—Classification—Legality

Export rates from Ontario to Atlantic ports based upon percentages of the Chicago-New York rates derive their validity from Order of the Board No. 586, dated July 25, 1905, and not from the Official Classification.

The following cases were referred to: Complaint of Messrs. Graham & Co., Ltd., Belleville, Ont., 6 B.R.C., at p. 266; 22 C.R.C. 355; Canadian Shippers Traffic Bureau v. C.N.R., 16 B.R.C. 135; 32 C.R.C. 3; Canadian Traffic Shippers Traffic Bureau v. C.N.R., 15 B.R.C. 249; 31 C.R.C. 347.

The facts are fully set out in the judgment of the Chief Commissioner, dated January 30, 1928, concurred in by the Assistant Chief Commissioner. C.R.C., Vol. XXXIV, p. 311.

CANADIAN SHIPPERS' TRAFFIC BUREAU V. CANADIAN NATIONAL RAILWAYS

Tariffs—Railway Act, Section \$31, subsection 3—Interpretation—Direct Routing -Rule-Scope-Long and Short Haul Clause

I. Section 331, subsection 3, governs the "filing" of special freight tariffs and has no connection with the interpretation of the scope and import of an

expression used in a tariff already filed and approved.

II. Where there are several available routes by which traffic may be carried between point of origin and destination, the "long and short haul" clause of the Railway Act does not govern the rates from all intermediate points on all routes. The published tariffs apply to the most direct route or shortest mileage between point of origin and destination. The rule contained in the tariffs of the Canadian National Railways defining "direct routing" as the shortest distance over Canadian National Railways as provided in the Official Distance Tables, Tariff C.R.C. No. E. 881, merely states the construction which has always been placed upon the tariffs.

III. Held also, that the movement of a car of lumber from Corinth, Ont., to Detroit, Mich., was not shown to be "over the same line" so as to make applicable as maximum under the long and short haul clause the rate from

Hawkesbury, Ont., to Detroit, Mich.

The facts are fully set out in the judgment of the Chief Commissioner, dated January 30, 1928, concurred in by the Assistant Chief Commissioner. C.R.C., Vol. XXXV, p. 168.

CANADIAN SHIPPERS TRAFFIC BUREAU V. CANADIAN FREIGHT ASSOCIATION et al

1. Tariffs-Special Railway Act, Section 331, Subsections 3 and 4-Practice of Board—Construction of Statute

Upon complaint of the Canadian shippers Traffic Bureau that an objection to special tariffs filed pursuant to section 331, subsection 3, of the Railway Act, 1919, acted as a stay of procedure and prevented such rates coming into effect; Held, that such interpretation of the Statute was contrary to the construction placed upon it by the Board and followed for many years, that when such tariffs are filed the Board has power either to suspend or allow them to go into effect, and, when so requested, to set down the objections for hearing and to dispose of them as provided in section 331, subsection 4.

2. Tariffs—Lumber—Stop-off and Re-shipping Rule

Upon application of the Canadian Shippers Traffic Bureau on behalf of a number of interests in the city of Toronto for suspension of the rule contained in Canadian Pacific Railway and Canadian National Railway tariffs stipulating that stop-off and re-shipping arrangements would not apply when stop-off and destination points are both located within the same group of terminals, the Board held that the point where the transit arrangement was allowed was a point intermediate to the destination, that lumber consigned to Toronto, for example, on arrival there, is at its destination and that one point within the Toronto terminal could not be said to be an intermediate point and another point within the same terminal the final destination, that this application of the rule did not result in discrimination between various consignees in Toronto nor in discrimination as between Toronto and other points. The application was dismissed.

(Robin Hood Mills, Ltd., v. C.P.R., 28 C.R.C. at p. 55; Newton Gum Co. v. C.B. & Q.R.R. Co. et al, 16 I.C.C. 341; Pacific Coast Biscuit Co. v. S.P. & S. Railway Co. et al, 20 I.C.C. 549; Empire Coke Co. v. B. & S.R.R. Co., 31 I.C.C. 573; F. W. Stock & Sons v. Lake Shore &

Michigan Southern Railway, 31 I.C.C. 153, referred to.)

The facts are fully set out in the judgment of the Chief Commissioner, dated January 30, 1928, concurred in by the Assistant Chief Commissioner. C.R.C., Vol. XXXV, p. 1.

LONDON AND PORT STANLEY RAILWAY COMPANY V. CITY OF ST. THOMAS

Highway Crossed by Railway—Protection—Apportionment of Cost—Changed Traffic Conditions—Previous Order

The Board apportioned 70 per cent to the railway company and 30 per cent to the municipality of the cost of providing protection by watchmen at the level crossing of Talbot street in the city of St. Thomas by the London and Port Stanley Railway, the highway being senior to the railway but traffic conditions having changed considerably. Under the previous order the cost of protection was borne entirely by the railway company.

The facts are fully set out in the judgment of Mr. Commissioner Lawrence, dated January 31, 1928, concurred in by the Assistant Chief Commissioner.

C.R.C., Vol. XXXIV, p. 125.

RESIDENTS BETWEEN WINNIPEG AND SPRAGUE, MAN., V. CANADIAN NATIONAL RAILWAYS

Train service—Passenger—Leaving time—Oil Electric Car

Upon complaint of residents along the Canadian National Railway between Winnipeg and Sprague, Man., that the local passenger service afforded by the Canadian National Railway was very inconvenient for the rural population along the line owing to the hour at which the train left Winnipeg, the Board ordered that the time of leaving Winnipeg of the evening train for Fort Frances and Duluth be changed from 9.50 p.m. to 7 p.m., or in the alternative that the railway company put on an oil electric car service between Winnipeg and Sprague.

The facts are fully set out in the judgment of Mr. Commissioner Oliver, dated February 6, 1928, concurred in by the Assistant Chief Commissioner and Mr. Commissioner Lawrence. C.R.C., Vol. XXXIV, p. 113.

CITY OF WINDSOR V. CANADIAN PACIFIC RAILWAY COMPANY

(Wyandotte St. Bridge Case No. 2)

Highway Crossed by Railway-Bridge-Third Track-Additional Depth of Abutment-Apportionment of Cost

The Board authorized a third track to be laid under the bridge, the extra cost arising from the additional depth of the abutment on the west side of the bridge, to be included in the cost of the work, and apportioned as in the original order (32 C.R.C. 26) namely, 60 per cent on the respondent and 40 per cent on the applicant, the cost of the approaches being included in the cost of the bridge.

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated February 11, 1928, concurred in by Mr. Commissioner Lawrence.

C.R.C., XXXIV, p. 130.

CANADIAN PACIFIC RAILWAY COMPANY V. TOWN OF ST. JEROME

Interswitching—Apportionment of Cost—Traffic—Routing—Railway Act, 1919, Section 253 (1)

Every facility should be given for the handling of traffic and the public should have the right to determine how its traffic should be routed, Railway Act, 1919, section 253, subsection 1.

Where a municipality stands to gain by, and has a direct interest in the establishment of interswitching facilities, it should be called upon to contribute

to the cost of providing them.

The Board's order that interswitching facilities should be provided at Montfort Junction at the joint expense of the two railway companies (31 C.R.C. 6) was varied by limiting the price of the land, including the cost of expropriation, to \$1,000 to be paid by the railway companies in equal shares, the balance, if any, to be paid by the town of St. Jerome.

(Fort William Interswitching Case, 31 C.R.C. 4, referred to.)

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated March 19, 1928, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXIV, p. 106.

EASTERN CANADA PRESERVED FOODS ASSOCIATION, WINONA, ONT., V. CANADIAN FREIGHT ASSOCIATION

Tariff—Canned Goods—Water Competition—Reduction—Discretion—Unjust Discrimination

Subject to the provisions of the Railway Act, R.S.C. 1927, chapter 170, regarding unjust discrimination, it is within the discretion of the railway companies, to meet water competition, but the railway companies are not to be compelled to put in or to maintain rates to meet such competition.

But to prevent hardship to shippers who had made contracts relying on such a rate the Board delayed till after the close of navigation its approval of a tariff

cancelling the rate.

The facts are fully set out in the judgment of the Chief Commissioner, dated March 28, 1928, concurred in by the Assistant Chief Commissioner and Commissioners Lawrence and Oliver. C.R.C., Vol. XXXV, p. 179.

CANADIAN NATIONAL RAILWAYS V. TOWNSHIP OF PEEL

(Goldstone Station Case)

1. Station—Removal of Agent—Substitution—Requirements of Board—General Orders Nos. 54 and 119

In dealing with applications to remove station agents the Board requires the railway to show whether the earnings do or do not fall below those provided for in General Order No. 54 (Flag Station Order) and where they fall below the required amount (\$15,000 per annum), an order generally issues providing for the substitution of a caretaker or permitting removal without a substitute, after giving notice as required by General Order No. 119 to the local municipality or board of trade of the railway's intention to apply for such an order.

2. Agreements—By-laws—Responsibility of Board—Quantum of Service
While the Board does not assume the responsibility of setting aside agreements covered by by-laws, the train service must be related to the needs of the service; the quantum of such service is defined by the railway. (Tp. of Wallace v. Great Western Ry. Co., 25 Grant's Ch. Rep. 86, considered.)

3. Caretaker—Substituted for Agent—Justified on Facts—Agreement—Violation of

The substitution of a caretaker in place of an agent, where justified on the facts, is not a violation of an agreement on behalf of a railway company to "erect and maintain a freight and passenger station" in accordance with a by-law of a municipality.

4. Caretakers—Duties of

The duties of caretakers are to keep the station clean, attend to heating and lighting, meet all trains, handle baggage and take care of express and less than carload freight. Inbound freight and express is to be prepaid.

5. Efficiency—Public Standpoint—Agent—Caretaker

From the standpoint of the public there is not as great efficiency with a caretaker as there is in the case of a regular station agent, but the lesser efficiency so rendered does not mean that there is not a station in existence and operation. (Township of Nottawasaga v. H. & N.W. Ry. Co., 16 Ont. A.R. 52, referred to.)

The facts are fully set out in the judgment of the Assistant Chief Comsioner, dated April 2, 1928, concurred in by Mr. Commissioner Lawrence. C.R.C.,

Vol. XXXIV, p. 156.

MUNICIPAL DISTRICT OF STRATHCONA, ALBERTA (SOUTH EDMONTON) V. C.N.R.

1. Railway Operation—Agreement—Railway Company—Municipal Corporation—Jurisdiction—Railway Act, section 35

In 1914 an agreement was entered into between the Canadian North Western Railway and the Canadian Northern Railway Companies and the Corporation of the City of Edmonton requiring the carriers to stop all passenger trains from points south to points north of the city and vice versa, at Strathcona. In 1927 a supplementary agreement was entered into by the railway companies (now part of the Canadian National Railways system) and the city of Edmonton whereby the Canadian National Railways was relieved of the above-mentioned obligation and permitted to run its trains to and from Edmonton via the Bretona-Clover Bar Cut-off, which route avoided Strathcona and resulted in a

saving of several miles and the avoidance of heavy grades into and out of Strathcona. Upon application of the Canadian National Railways for approval of the 1927 agreement pursuant to section 35 of the Railway Act, which application was opposed by the citizens of Strathcona (South Edmonton) upon the grounds that the city of Edmonton was exceeding its jurisdiction in entering into the said agreement and that the citizens of Strathcona had a vested interest in the enforcement of the agreement of 1914, it was held by the Board:-

1. That the jurisdiction of the Board had not been extended to cover the determination, in case of dispute, of whether a municipality is acting

within the scope of its jurisdiction.

2. That R.S.C. 1927, c. 170, s. 35, being an invasion of a field lying within the scope of the jurisdiction of the courts should be strictly construed and that authority to approve the agreement in question was not within the wording of the section.

The application of the Canadian National Railways for the approval by the Board of the agreement of 1927 was dismissed. Commissioner Oliver con-

2. Railway—Operation—Abandonment—Special Act—Jurisdiction—Railway Act, Section 162 (1)

Unless the Special Act by which a railway company is incorporated provides that it shall be continuously operated, the Board has no power to compel a company which has discontinued the operation of its railway to resume such operation even though the public interest is affected thereby, nor is the Board empowered to prevent the discontinuance. A railway company may, under the general powers conferred upon it by the Railway Act (R.S.C. 1927, c. 170, s. 162, ss. 1. clause (p)), alter or discontinue operation of its lines of railway.

The complaint of the business people of Edmonton South against the proposal of the Canadian National Railways to dismantle its tracks between Bre-

tona and Strathcona was dismissed.

Commissioner Oliver dissented.

(Duthrie v. G.T.R., 4 C.R.C. 304, at p. 315; Attorney-General for British Columbia v. Esquimalt & Nanaimo Railway Co., 24 C.R.C. 92, at p. 94; Rossland Board of Trade v. Great Northern Ry. Co., 28 C.R.C. 24; Hunter Bros. v. Great Northern Ry. and Can. Pac. Ry. Co., 30 C.R.C. 180, referred to.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated April 3, 1928, concurred in by the Chief Commissioner, Commissioner Lawrence and Commissioner Norris. C.R.C., Vol. XXXV, p. 9.

United grain growers, limited, $et\ al\ v$. Canadian pacific railway company

Tariff—Live Hogs—Western Canada to United States Pacific Coast Points— Per Carload—Per Cwt—Principle

The application of the United Grain Growers, Limited, et al, for suspension of Canadian Pacific Railway Tariff W-5721, C.R.C. W-2839 (effective June 23, 1927) which provided for calculation of tolls upon hogs in carloads, single and louble deck cars, from points in Western Canada to specified points in Pacific coast states of the United States, in cents per 100 pounds on the actual weight when in excess of the prescribed minimum in place of the practice which had xisted for some fifteen years of charging a flat per car rate via specified gatevays, was dismissed upon the ground that the differences involved under the new ariff, which resulted in decreases as well as increases in some instances, were not

unreasonable and that the tariff filed was in accordance with the recognized principle of ratemaking, which was applicable to the movement of livestock generally, computing the charge at so much per 100 pounds subject to a prescribed minimum and providing for payment upon actual weight where the minimum is exceeded.

(The following cases were referred to: Riley v. Dominion Express Co., 17 C.R.C. 112; The United Factories Limited v. Grand Trunk Railway Company, 3 C.R.C. 424, at page 425; Roberts v. Canadian Pacific Railway, 18 C.R.C. 350; Town of Waterloo et al v. Grand Trunk Railway Company, 24 C.R.C. 143, at page 146; Adolph Lumber Company v. Great Northern Railway Company, 24 C.R.C., at page 176; British Columbia Sugar Refining Company v. Canadian Pacific Railway, 10 C.R.C. 169; Dominion Sugar Refining Company v. Canadian Freight Association, 14 C.R.C. 188; Eastern Canadian Preserved Foods Association, Winona, Ontario, et al, v. Canadian Freight Association, 18 B.R.C. 23.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated April 20, 1928, concurred in by Mr. Commissioner Lawrence, Mr. Commissioner Oliver dissenting. C.R.C., Vol. XXXIV, page 179.

CITY OF TORONTO V. CANADIAN PACIFIC AND CANADIAN NATIONAL RAILWAY

COMPANIES

(Northwest Grade Separation, Toronto)

Highway Crossed by Railway—Grade Separation—Protection—Railway Grade
Crossing Fund—History

By Order No. 35037 dated May 9, 1924, the Board directed in general terms a program of grade separation on the lines of the Canadian Pacific Railway and Canadian National Railways in Northwest Toronto. Order No. 35153, dated June 5, 1924 (see 32 C.R.C. 304) provided specifically for building two subways on Bloor street and one on Royce avenue. These subways were duly completed.

A subsequent application of the city of Toronto for an Order directing the railways to carry out the terms of Order No. 35037 was dismissed upon the ground of the record of expenditures of railways and municipalities with particular reference to the large amount spent in the city of Toronto and of the

general needs of the country especially in large cities.

Where a railway crosses an existing highway the crossing is there by virtue of Dominion law, and it is reasonable that those who derive advantages from the proximity of the railway should bear a special share of the expenses of safe-guarding it, but, in dealing with questions of protection, the Board contemplates the matter from the view-point of the dangerousness of the crossing; the average reasonable expenditure; the needs of the different sections of the country; and the financial ability of the railways.

(City of Toronto v. Canadian Pacific Railway (1908), A.C. 54, 7 C.R.C. 282; Hamilton Street Railway Company v. Grand Trunk Railway 17 C.R.C. 393, referred to).

Review of the existing situation at the various points mentioned in Order No. 35037, and a brief history of the Railway Grade Crossing Fund.

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated April 23, 1928, concurred in by the Chief Commissioner. C.R.C., Vol. XXXIV, page 143.

EXPRESS TRAFFIC ASSOCIATION V. CANADIAN RACING ASSOCIATION et al

Classification—Express—Horses—C. L.—Attendants

Upon application of the Express Traffic Association for approval of proposed supplement to the Express Classification establishing a uniform rule throughout Canada providing free transportation for a maximum of two attendants with each carload of race or show-horses, the Board, taking into consideration the special form of equipment required and the remuneration received by the express companies for such traffic, approved the supplement, holding, that if more than two attendants were necessary they should pay regular fare.

The facts are fully set out in the judgment of the Chief Commissioner, dated April 24, 1928, concurred in by the Assistant Chief Commissioner. C.R.C.,

Vol. XXXIV, page 194.

TOWNSHIP OF YORK V. BELL TELEPHONE COMPANY OF CANADA

$Telephone \ \ Tariffs -- Tolls -- Exchanges -- Limits -- Jurisdiction -- Unjust$ Discrimination

Upon application of the township of York, served by the Toronto and Weston exchanges of the Bell Telephone Company, for a revision of the company's tariffs of tolls to provide for connection of all subscribers in the township at the same rates, the Board, dismissing the application, held:-

1. That unjust discrimination was not shown to exist.

2. That the jurisdiction of the Board is confined to rates and does not extend to an oversight of the divisions of the company's telephone service or the base areas thereof, unless some question of discrimination arises.

3. That the determination of the limits of an exchange is a question of internal management, a detail of operation over which the Board has no control

nor power to interfere.

The facts are fully set out in the judgment of the Chief Commissioner, dated April 24, 1928, concurred in by the Assistant Chief Commissioner. C.R.C. Vol. XXXIV, page 170.

MUNICIPALITY OF POINT GREY V. BRITISH COLUMBIA TELEPHONE COMPANY

Telephone—Tolls—Exchange Boundaries—Jurisdiction—Reasonableness— Unjust Discrimination

Inasmuch as questions concerning the setting up of new boundaries and the creation of new exchanges are matters concerning the interior management of a telephone company's business, the Board has no jurisdiction to deal with them unless some question of the reasonableness of the rates to be charged or of unjust discrimination is involved.

The facts are fully set out in the judgment of the Chief Commissioner, dated April 24, 1928, concurred in by the Assistant Chief Commissioner and the Deputy Chief Commissioner, Mr. Commissioner Oliver dissenting. C.R.C.,

Vol. XXXIV, p. 175.

EMPIRE FLOUR MILLS, LIMITED, V. MICHIGAN CENTRAL RAILWAY COMPANY et al

Tariffs—Stop-over-Milling in Transit—Grain—Domestic Consumption—Order

Ex-lake grain from Port Stanley, milled at St. Thomas and shipped to Canadian points for domestic consumption, is entitled to the same scale of ates and tariff conditions as are available from other bay ports. 94523--2

(Complaint of T. H. Taylor and Canada Flour Mills Company, Chatham, Ont., 6 B.R.C. 21; Anchor Elevator Company et al, v. C.N.R. and C.P.R., 9 C.R.C. 175, at p. 176, referred to.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated June 2, 1928, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXIV, p. 188.

LEONARD WAREHOUSES LTD. V. CANADIAN PACIFIC, CANADIAN NATIONAL AND GREAT NORTHERN RAILWAY COMPANIES

(Absorption of Cartage Charges, Vancouver)

Tariffs—Cartage Charges—Absorption—"Pool" Cars—Cancellation

Upon complaint of the Leonard Warehouses, Limited, of Vancouver, B.C., that the absorption by the railway companies of the cartage charges on "pool" cars delivered to team tracks for C.L. shipments to competitive points was unjustly discriminatory against them and upon their application for cancellation of all tariffs providing for absorption of cartage charges, the Board, after reviewing the situation in Vancouver, hearing evidence upon the matter and taking into consideration the representations of the railway companies, ordered cancellation of tariffs providing for absorption of cartage charges on "pool" car traffic and dismissed for lack of evidence the application for cancellation of all tariffs providing for absorption of such charges.

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated June 2, 1928, concurred in by Commissioners Lawrence and

Oliver. C.R.C., Vol. XXXIV, p. 196.

CANADIAN SHIPPERS' TRAFFIC BUREAU V. CANADIAN NATIONAL RAILWAYS AND CANADIAN FREIGHT ASSOCIATION

I. Tariffs—Rules—Diversion Orders—Negligence

The carrier should be made liable for failure to comply with diversion orders, where failure to comply is due to the negligence of its employees. Rule amended accordingly.

II. Tariffs—Reconsignment—Through Rate—Unjust Discrimination—Lack of Evidence

Application for an order requiring carriers to provide in their tariffs for reconsignment of C.L. shipments between points in Canada, which have reached original billed destination, giving them the benefit of through rate from point of origin to final destination plus a reconsignment charge, was dismissed by the Board upon the ground that discrimination as alleged was not proved to exist, that the evidence failed to show in what regard commercial requirements were detrimentally affected by the existing rule and that there was no evidence to show that the applicant was in a position to voice the needs of the lumber trade or traffic either generally or locally.

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated June 13, 1928, concurred in by the Deputy Chief Commissioner.

C.R.C., Vol. XXXIV, p. 355.

TOWNSHIP OF YORK V. CANADIAN NATIONAL RAILWAYS AND CANADIAN PACIFIC RAILWAY COMPANY

(Ray Avenue Crossing Case)

Railway Crossed by Highway—Farm Crossing—Subway—Senior and Junior— Construction, Maintenance and Protection—Railway Grade Crossing Fund—Railway Act, section 260—18-19 George V, chapter 43.

Where a railway is senior and it is desired to open a highway across its lands there being no reserved municipal rights of seniority by plan or otherwise,

the cost of construction and maintenance of the crossing, and its protection if necessary coincident with opening the public highway, are borne by the appli-

cant who is junior in right.

Contribution from the Railway Grade Crossing Fund (under section 260 of the Railway Act as amended 18-19 George V, chapter 43) will not be ordered when a new highway is to be established over a railway at a point where there is no appreciable volume of traffic and no dangerous condition already in evidence, and where the object of the crossing, with coincident protection, is to further a scheme for development of an industrial area.

The Board has no jurisdiction to order an unwilling municipality to contribute to the cost of carrying a new highway across a railway by means of a subway where the highway is not a diversion of an existing highway or public means of communication and where the object is not the protection of the public

against an already existing danger.

Leave was given to the applicant to open up a crossing by means of a subway, at its own expense as to construction, maintenance and protection, and according to detail plans to be approved by the Board.

(Simplex and Ashland Avenue Crossing Cases, 13 C.R.C. 1, and 20 C.R.C. 243, and City of Montreal v. C.P.R., 18 C.R.C. 50, followed.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated August 25, 1928, concurred in by Commissioner Lawrence. C.R.C., Vol. XXXIV, p. 384.

ORDER OF RAILWAY CONDUCTORS OF AMERICA, WINNIPEG V. CANADIAN NATIONAL RAILWAYS

Master and Servant—Railway Employee—Removal of Terminal—Compensation -Railway Act, Section 179-Dismissal-Re-employment

A railway employee dismissed for good cause and subsequently re-employed is not entitled to compensation from the railway company under section 179 of the Railway Act for financial loss due to removal of a terminal to another point where such removal took place while such employee was not in the service of the railway company.

The facts are fully set out in the judgment of the Chief Commissioner, dated October 3, 1928, concurred in by Commissioner Norris. C.R.C., Vol.

XXXV, page 164.

BOARDS OF TRADE OF MOOSE JAW, SASK., et al v. CANADIAN FREIGHT ASSOCIATION, et al

 $1. \begin{tabular}{ll} Tolls-Reasonable ness-Presumption-Changed & Conditions-Onus \\ \end{tabular}$

A presumption exists in favour of the reasonableness of tolls which were established in the first instance by a carrier of its own volition and have remained in effect for some time; and the onus is upon the carrier to show, with easonable conclusiveness, that changed conditions justify an increase.

2. Tolls—Discrimination—Railway Act

Difference in rates is discrimination; but the prohibitions of the Railway Act in regard to discrimination are prohibitions of unjust discrimination or indue preference.

. Tolls—Tea—Commodity Rates—Class Rates—East and West—Unjust Discrimination

Although a disparity was shown to exist in the matter of rates upon tea from Vancouver to points in Western Canada (which rates were special import 94523-21

commodity rates voluntarily established by the carriers considerably below the class rates applicable to that commodity) and rates upon tea from eastern Canadian points to Western Canada which were upon a class rate basis, the Board held that the discrimination was not shown to be within the prohibitions of the Railway Act and refused to eliminate item 250A in Supplement No. 21 to Tariff C.R.C. No. 47.

(Salada Tea Company v. Canadian Freight Association, 14 B.R.C. 283; 30 C.R.C. 153; Canadian Freight Ass'n v. Cadwell Sand & Gravel Co., 15 C.R.C. 156; General Rate Investigation, 17 B.R.C. 131; 33 C.R.C. 127; In re Western Tolls, 17 C.R.C. 123; Cuneo Fruit Importing Co. v. G.T.R. Co., 18 C.R.C. 414, at p. 424, referred to.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated October 18, 1928, concurred in by Mr Commissioner Lawrence. C.R.C., Vol. XXXIV, p. 362.

FITZSIMMONS FRUIT COMPANY, LIMITED V. CANADIAN NATIONAL RAILWAY COMPANY

Tolls—C.L.—Oranges—California—Port Arthur—Blanket Rates—Mileage— Unjust Discrimination—Reasonableness Per se.

The C.L. rate upon oranges from California points to Sudbury and other eastern Canadian points has been brought about by a competitive situation, in which mileage has been disregarded and a blanket rate established in eastern United States and Canada. It is therefore not a measure of the reasonableness of rates to Port Arthur and other western Canadian points, the rates to which points do not reflect competitive conditions.

Held, also that the rates complained of were not shown to be unreasonable

The complaint was dismissed.

The facts are fully set out in the judgment of the Chief Commissioner, dated October 30, 1928, concurred in by the Assistant Chief Commissioner, the Deputy Chief Commissioner and Commissioner Lawrence. C.R.C., Vol. XXXV, p. 34.

TOWNSHIP OF GUELPH V. CANADIAN NATIONAL RAILWAYS

Highway Crossed by Railway—Protection—Cost of Installation—Maintenance
—Apportionment of Cost—Railway Grade Crossing Fund—General Rule
—Special Circumstances.

In the matter of protection at railway crossings the general rule is that when a railway is carried over a highway, the cost of construction, maintenance and protection is considered as part of the railway undertaking unless special circumstances demand otherwise.

Held, that in this instance there were no special circumstances to justify

departure from the general rule.

Order to go directing installation of wigwag signal in addition to existing bell; 40 per cent of actual cost of construction to be paid from the Grade Crossing Fund, and the balance of the cost of construction, and the cost of maintenance to be at the expense of the railway company.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated November 23, 1928, concurred in by Commissioner Lawrence

C.R.C., Vol. XXXV, p. 153.

TOWN OF WESTON V. CANADIAN PACIFIC AND CANADIAN NATIONAL RAILWAY COMPANIES

(Eagle Avenue Crossing Case)

Highway Crossed by Railways—Increased Traffic on Highway—Decreased Traffic on Railway—Joint Municipal Road Commission—Sidewalk—Additional Protection—Apportionment of Cost.

Where it appeared that highway traffic had increased largely at a grade railway crossing within a town, while railway traffic had decreased, and it also appeared that a joint municipal road commission had taken over the roadway crossing the railways, but the sidewalk forming part of the highway was still controlled and maintained by the town, the Board in apportioning the cost of additional protection directed that forty per cent be paid from the Railway Grade Crossing Fund, and of the balance 50 per cent be paid by the railways interested. 40 per cent by the road commission and ten per cent by the town.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated November 24, 1928, concurred in by Commissioner Lawrence.

C.R.C., Vol. XXXV, p. 25.

PROVINCES OF ALBERTA AND SASKATCHEWAN et al v. CANADIAN PACIFIC AND CANADIAN NATIONAL RAILWAY COMPANIES

Tolls—Fresh Meats—Packing House Products—Hides—Live Stock—Western Canada—Domestic—Export to Atlantic and Pacific Ports—U.S. Points—Percentage Relationship—Normal Basis—Unjust Discrimination.

The Board dismissed the application of the provinces of Saskatchewan and Alberta for a readjustment of the rates on fresh meats, packing house products, hides and live stock from points in Western Canada to Vancouver, Seattle and also points east and south for domestic consumption and for export.

Held: I. The normal basis of live stock and packing house products rates has been the class rates subject at various times to lower commodity rates based on combinations available through certain gateways, and subject as well at times to a reduction from the class rate basis accorded by the carriers as a measure of assistance to the industries interested in order to aid them in meet-

ing market competition.

II. There has not been any recognized or definite percentage relationship existing between rates on live stock and the rates on fresh meat or packing house products from Winnipeg or elsewhere. As a matter of tariff construction the establishment of such a relationship would seem to be impracticable and would resolve itself into an attempt to create through rates equal for all Canadian packers regardless of the reasonableness of the rates per se. The necessity for such a relationship was not shown to exist. An attempt to create such a condition would be outside the proper function of the Board as a regulatory tribunal.

III. Unjust discrimination or undue preference was not shown to exist in

the rates from points west of Winnipeg to Eastern Canada.

(The following cases were referred to and followed: Eastern Live Stock Case of 1926, 144 I.C.C. 771; John Morrell & Co. et al vs. N.Y.C. et al, 104 I.C.C. 124; Independent Slaughterers' Traffic Association v. N.Y.C. Rd. et al, 144 I.C.C. 773; Chicago Live Stock Exchange v. Chicago Great Western Railway et al, 10 I.C.C. 428.)

The facts are fully set out in the judgment of the Chief Commissioner, dated December 6, 1928, concurred in by the Assistant Chief Commissioner, the Deputy Chief Commissioner and Commissioners Lawrence and Norris. C.R.C.,

Vol. XXXV, p. 50.

CANADIAN PACIFIC RAILWAY COMPANY AND GREAT NORTHWESTERN TELEGRAPH COMPANY V. CITY OF TORONTO

Telegraphs—Underground Ducts—Wires—Cables—Pneumatic Tubes—Construction and Maintenance—Highways—Jurisdiction—Railway Act, Sections 36, 373, 44 Victoria, Chapter 1, Section 16; 43 Victoria, Chapter 66, Section 20.

On an application by the Canadian Pacific Railway Company and the Great Northwestern Telegraph Company of Canada for leave to construct underground ducts containing wires and cables and pneumatic tubes for the

carriage of telegraph messages across streets in the city of Toronto.

Held, by the Chief Commissioner as a matter of law that the charters and acts of incorporation of both companies, 44 Victoria, chapter 1, section 16, and 43 Victoria, chapter 66, section 20, permitted them to construct and maintain underground ducts for the purpose of carrying pneumatic tubes for telegraph purposes and for the transmission of messages under the streets and that the Board had power under sections 36 and 373 of the Railway Act to authorize the construction of such tubes without the consent of the city.

The facts are fully set out in the judgment of the Chief Commissioner,

dated December 11, 1928. C.R.C., Vol. XXXV, p. 27.

OTTAWA ELECTRIC RAILWAY COMPANY V. CITY OF OTTAWA

I. Tariffs—Tolls—Electric Railway—Jurisdiction—14-15 George V (1924), Chapter 84—Schedule.

The jurisdiction of the Board to regulate the tolls to be collected by the Ottawa Electric Railway Company is defined by 14-15 George V (1924), chapter 84, section 2, which confirmed an agreement entered into by the Ottawa Electric Railway Company and the city of Ottawa on January 25, 1924, said agreement being set out in the schedule to the Act.

Sections 9 (a) and (b) of the agreement define the procedure to be followed in bringing the matter before the Board and set out the factors to be

considered by the Board in arriving at the tolls to be charged.

II. Tolls—Capital—Depreciation Reserve—Surplus—Return—Rate of Farc.

Taking into consideration the average operating expenses, a reasonable return upon the investment (determined by the Board to be at the rate of 7 per cent per annum), a surplus of 2 per cent, depreciation reserve upon a ratio of 4.11 per cent and the taxes paid by the company, the Board approved of 7 cent fare to replace the 5 cent fare previously in effect.

Held, that moneys taken from the depreciation reserve and invested in the plant by addition of new property are properly an investment upon which a

return must be allowed under section 9 (a) of the agreement.

Commissioner Oliver, dissenting, held that the company had failed to satisfy

the onus upon it of proving the necessity for increased fares.

Commissioner Lawrence, dissenting, held that 5 per cent per annum was a fair return for the money invested in the shares of the company, that the company should not be allowed a return upon money taken from its reserve fund and invested in the plant, and that a one cent increase in fare would be more than sufficient to wipe out the deficit, pay a reasonable dividend to the shareholders and allow something for the reserve fund.

Bell Telephone Case, 27 C.R.C. 231; 11 B.R.C. 35, and In re Bell Telephone

Co. Increased Tolls, 25 C.R.C. 1, 9 B.R.C. 63, referred to.

C.R.C., Vol. XXXIV, p. 316.

APPEALS FROM RULINGS OF THE BOARD

There were no cases carried in appeal either to the Supreme Court or to the Governor in Council during the year.

ORDERS, GENERAL ORDERS AND CIRCULARS

The total number of orders issued for the year ending December 31, 1928, was 1,890. The number of general circulars issued by the Board, directed to all the railway companies subject to its jurisdiction was 7. The general orders as distinguished from other orders of the Board are those affecting all railway companies subject to its jurisdiction, and are 11 in number for the year.

A list of the general orders and circulars for the year ending December 31,

1928, will be found compiled under appendix "F" to this report.

APPLICATIONS TO THE BOARD

The total number of applications, including informal complaints made to the Board, for the year ending December 31, 1928, was 3,396.

TRAFFIC DEPARTMENT OF THE BOARD

In the Traffic Department of the Board the number of tariffs received and filed for the year ending December 31, 1928, was as follows:—

Freight tariffs, including supplements	27 689
assenger tarins, including supplements	7 050
Express taritis, including supplements	1 494
relephone tarins, incliding supplements	1 900
Electing and pariour car tariffs, including sunniaments	25
Telegraph tariffs and supplements	10
	48,406

The total number of tariffs filed from February 1, 1904, to December 31, 1928, was 1,531,187.

The details of the tariffs will be found under appendix "A" to this report.

ENGINEERING DEPARTMENT OF THE BOARD

In the Engineering Department of the Board a large number of inspections were made covering the whole Dominion. These inspections for the year ending December 31, 1928, number 270, and cover inspections for the opening of a rail-way for the carriage of traffic, inspections of culverts, highway crossings, cattle guards, road crossings, bridges, subways and general inspections falling within the scope of the work of the Engineering Department.

Under appendix "B" will be found a detailed report of the Chief Engineer.

OPERATING DEPARTMENT OF THE BOARD

Under the work of this department is included the inspection of locomotive boilers and their appurtenances, the inspection of safety appliances on cars and locomotives, the investigations into accidents causing personal injury or loss of life, the reporting on the locations of stations, matters of protection at highway crossings, and train and station services performed by the railway companies.

Under appendix "C" will be found a full and detailed report of the Chief

Operating Officer of the department.

ACCIDENTS AND ACCIDENT INVESTIGATIONS

On reference to the report of the Board's Chief Operating Officer, it will be seen that accidents to the number of 3,013 covering 445 persons killed and 3,193 persons injured, were reported to the Board during the year ending December 31, 1928, as compared with 2,862 accidents reported for the year 1927, covering 353 persons killed and 3,091 persons injured.

The figures given show:-

(1) Thirteen passengers killed during the year 1927 and 18 passengers killed during the year 1928; an increase of 5. The number of passengers injured was 382 in 1927 as compared with 301 in 1928, a decrease of 81.

(2) One hundred and one employees killed in 1927 and 109 in 1928; an increase of 8. The number of employees injured was 2,051 in 1927 as compared

with 2,171 in 1928, an increase of 120.

(3) Two hundred and thirty-nine others killed in 1927 and 318 in 1928, an increase of 79. The number of others injured was 658 in 1927 as compared with 721 in 1928, an increase of 63.

It is pointed out that out of the 318 others killed, 127, or 40 per cent, were trespassers, and that out of the 721 others injured, 139, or 19 per cent, were

trespassers.

It will be noted that of what may be termed preventable loss, there were 127 killed under the heading "trespassers" and 139 injured. This is an increase of 6 in the number of killed, and an increase of 8 in the number of injured, as compared with the year 1927.

The following table shows the total, by provinces, as regards trespassers

killed and injured, for the year ending December 31, 1928:-

Province	Killed	Injured
Nova Scotia	4	2
New Brunswick	2	4
Quebec	19	19
Ontario	50	47
Manitoba	16	11
Saskatchewan	15	14
Alberta	12	26
British Columbia	9	16
	400	
Totals	127	139

Attention is again directed to statement No. 15, setting out in detail the situation as regards highway crossing accidents during the past five years. It will be observed therefrom that there has been a total of 1,476 accidents, cover-

ing 571 persons killed and 1,946 injured.

Crossings protected by gates accounted for 24 persons killed and 68 injured. Crossings protected by bell accounted for 78 killed and 242 injured. Crossings protected by watchman accounted for 8 killed and 51 injured. Crossings unprotected accounted for 461 killed and 1,585 injured.

There have been 324 accidents at protected crossings, covering 110 persons killed and 361 injured, and at unprotected crossings there have been 1,152

accidents, covering 461 persons killed and 1,585 injured.

There were 355 highway crossing accidents investigated, during the year 1928, of which number 61 occurred at protected crossings, leaving unprotected crossings to account for 294 accidents.

Automobile accidents totalled 298, divided as follows:-

At Crossings protected by gates.	3
At Crossings protected by watchman. At Crossings protected by bell.	31
At Crossings unprotected	255

Horse and rig accidents numbered 35, made up as follows:-

Crates	
Gates	
Watchman Bell	
Bell. Unprotected.	77
Unprotected	28
	28
D-J- / * * * * * * * * * * * * * * * * * *	
Pedestrian accidents numbered 22, as follows:—	
as follows.—	
Gates	
Gates	5
WatchmanBell.	2
Bell Unprotected	0
Unprotected	3

During the year 1928 there were 371 accidents at highway crossings reported to the Board, covering 173 persons killed and 475 injured, as compared with 317 accidents in 1927, covering 99 persons killed and 425 injured.

Full particulars of passengers and employees killed and injured, and other general information in regard to trespassers killed and injured, accidents at protected and unprotected crossings, etc., will be found under appendix "C".

FIRE INSPECTION DEPARTMENT OF THE BOARD

Special patrol by selected members of section crews is prescribed on 5,206 miles: special patrol by special men on velocipedes on 783 miles, and special patrol by special men on power speeders on 1,384 miles; foot patrol on 13 miles and special patrol on 109 miles of line under construction; total mileage subject to some form of special patrol by railway forces, 7,495 miles. In order to patrol this mileage a total of 927 special fire patrolmen were utilized on all lines, 806 of these railway employees being selected members of section crews; with 62 velocipede patrolmen, 53 power speeder patrolmen and 6 speial patrolmen on lines under construction.

During the fire season of 1928, railways subject to the Board's jurisdiction were reported as having caused 776 fires in forested territory, which burned over a total of 11,787 acres, with forest and other property damage estimated at \$21,821.

Of the 776 fires attributed to railways throughout forested territory in the Dominion, 319 burned over less than one-fourth acre each, 375 burned less than ten acres each, and only 82 burned over an area greater than 10 acres each.

Of the 11,787 acres burned over by these railway fires, only 171 acres were merchantable timber; 1,696 acres were young forest growth; 615 acres slashing or old burn not restocking, and 9,305 acres were non-forest lands.

In addition to these fires, reports were received as to 263 spot fires on ties in track, not spreading or causing damage other than to ties in track.

During the season, officers of the Fire Inspection Department inspected fire-protective appliances on 3,911 locomotives operating through forested territory. Defects were found in 97 cases, or 2.48 per cent.

Under the Fire Guard Requirements of this department 5,632 miles of fireguards were constructed or maintained in fenced grazing and wild lands, in non-forested sections of the Prairie Provinces.

The field inspection work of this department was carried on, under co-operative arrangements with the several forest protective organizations, Dominion and provincial, throughout Canada, involving the assignment of 174 officers of such organizations to serve as local officers of the Board's Fire Inspection Department.

Under appendix "D" will be found the Chief Fire Inspector's report.

BOARD

Since the publication of the last report of the Board the vacancy caused by the retirement of Mr. Commissioner A. C. Boyce, K.C., has been filled by the appointment of the Hon. T. C. Norris, of Griswold, Man. Mr. Norris' appointment became effective under Order in Council dated March 30, 1928.

ROUTINE WORK OF THE BOARD

RECORD DEPARTMENT

Below is given a table setting forth the number of applications, filings and letters received during the year ending December 31, 1928, together with the number of Orders issued:—

Number of applications made	3,396
Number of filings received during the year	37,425
Number of outgoing letters during the year	32,060
Number of orders issued during the year	1,890

APPENDIX "A"

REPORT OF THE CHIEF TRAFFIC OFFICER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1928

Dear Sir,-I submit for the Board's Twenty-fourth Report information regarding work of the Traffic Department.

The number of freight, passenger, express, telephone, telegraph, and sleeping and parlour car schedules filed with the Board was as follows:-

FROM NOVEMBER 1, 1904, TO AND INCLUDING DECEMBER 31, 1927 Local tariffs... Supplements... 19,771 41,476 Joint tariffs...Supplements... 61,247 45,536 178,919 224,455 International tariffs..... 175,698 Supplements.... 611,541 787, 239 - 1.072.941 Passenger-Local Tariffs. 20,218 Supplements.... 26,438 46,656 Joint tariffs... Supplements... 20,792 33, 156 53,948 International tariffs.... 40,705 Supplements.... 87,965 128,670 229, 274 Local tariffs.... 6,428 Supplements.... 58,324 64,752 Joint tariffs..... 6,797 Supplements.... 30,174 36,971 International tariffs.... 7,552 Supplements.... 12,693 20,245 121,968 Telephone-Local tariffs.... 4.043 Supplements.... 2,672 6,715 Joint tariffs... Supplements. 3,926 34,358 38,284 International tariffs. Supplements. 429 9,719 10,148 55, 147 Telegraph-208 Supplements.... 271 479 479 Sleeping and Parlour Car-Local tariffs.
Supplements. 338 574 Joint tariffs..... 317 Supplements.... International tariffs.... Supplements...

1,169

1,553

2,972 1,482,781

FROM JANUARY 1, 1928, TO AND INCLUDING DECEMBER 31, 1928

1 HOM OMA CARE , and ,			
Freight—	218		
Freight— Local tariffs. Supplements.	419		
	480	637	
Joint tariffs	452 9 064		
Supplements	8,964	9,416	
International tariffs	2, 105	0,220	
International tarins	25,524		
Supplements		27,629	37,682
	-		31,004
Passenger	57		
Fussenger— Local Tariffs. Supplements.	648		
	4.70	705	
Joint tariffs	$\frac{152}{2,003}$		
Supplements	2,003	2,155	
International tariffs	399	-,	
Supplements	4,600		
apple ments		4,999	7,859
			1,000
Express	26		
Local tariffs. Supplements.	93		
	10	119	
Joint tariffs	42 223		
Sapplements	(100	265	
International tariffs	101		
Supplements	949	4 080	
, u ₁ ,,,,		1,050	1,434
	_		1,101
Telephone— Local tariffs	35		
Supplements	1	9.0	
	27	36	
Joint tarifis	1,343		
Supplements	1,1727	1,350	
International tariffs			
Supplements			1,386
	***		1,000
Telegraph— Tarin's	2		
Supplements	8	10	
Dabburguerre			10
	-		10
Sleeping and Parlour Car— Local tariffs	3		
Supplements	4	_	
		7	
Joint tariffs	2		
Supplements	0	8	
International tariffs	3		
Supplements	. 17	20	
		20	35
		-	
Total			48,406
Combined total all schedules			1,531,187

The Maritime Freight Rates Act, effective July 1, 1927, provided for reduced freight rates on traffic originating in the territory east of Lévis and Diamond Junction, P.Q., and for reimbursement by the Government, to the railways, of the difference between such reduced rates and the normal rates which would otherwise have been charged.

The Board was required to certify to the Minister of Railways and Canals the amount of this difference, and checking and accounting of the traffic moved under the reduced rates, was necessary.

The first railway report, (for July, 1927) was filed in October, 1927, and the staff appointed to perform the work of checking and accounting did not assume their duties until April 1, 1928.

As the accounts for the entire year of 1928 have not yet been checked, there is shown below information as to the work in connection with the twelve months, July 1927 to June 1928, inclusive.

. Nine railways filed monthly statements of traffic upon which reimbursement was claimed, each monthly statement consisting of from 6 to 1,100 sheets.

During the period, there were filed 108 accounts consisting of 21,185 sheets, with an average of 74 rates per sheet. There were, therefore, 1,567,690 rates and 783,845 extensions checked; and 21,185 columns of figures added.

As a result of this check, many errors and omissions were discovered, necessitating the issuance of 9,738 correctors, an average of over 800 per month.

The total additions to the accounts amounted to \$12,886.55, and the total deductions to \$22.414.47.

The total amount claimed by the railway companies was \$810,313.84, and the amount allowed was \$800,785.92, or a net deduction of \$9.527.92.

The number of outgoing letters in connection with the administration of the Act, to June 30, 1928, was as follows:—

Board			***
Board Railways Cthers.		٠.	. 118
Reports	٠.	٠.	 . 10
Reports	٠.	٠.	 . 5
			0.50
			652

During this period, 204 orders were issued approving tariffs or rates and certifying to the normal tolls.

The number of communications to railways, express, telephone and telegraph companies in connection with complaints, proper interpretation of tariffs, or classification and filing of same, also in connection with powers of attorney, concurrences, etc., was 1,849. Communications to others were 858, or a total of 2,707.

The following is a list of Traffic Orders issued, also a list of Orders approving Connecting Agreements or Service Station Contracts between the Bell Telephone Company and named Local Telephone Companies:—

TRAFFIC ORDERS

No. 40142, January 9, 1928. Approving Standard Mileage Freight Tariff C.R.C. No. 3196 of the New York Central R.R. Company.

No. 40227, January 18, 1928. Declaring that the legal rate applicable on a carload shipment of lumber from Brighton Siding, Que., on Canadian National Railways to Chatham, Ont., for C.W. and L.E. Ry. delivery, on March 4, 1927, was the rate of 33 cents per 100 pounds published to Wallaceburg Ont., the said rate applying as the maximum to Chatham, for C.W. and L.E. Ry. delivery.

No. 40246, January 21, 1928. Approving Standard Freight Tariff C.R.C.

No. 23 of the Sydney and Louisburg Railway Company.

No. 40269, January 26, 1928. Approving proposed Supplement "D" to

Express Classification for Canada No. 7.

No. 40294, February 1, 1928. Dismissing complaint of the Canadian Shippers' Traffic Bureau against item No. 694 in Canadian National Railways tariff C.R.C. No. E-875 and item No. 1355 in Canadian Pacific Railway tariff C.R.C. No. E-4257, covering switching charges on lumber, carloads, between points within Toronto Terminals.

No. 40295, February 1, 1928. Dismissing complaint of the Canadian Shippers' Traffic Bureau against inclusion of rules in recent tariffs of Canadian National Railways defining "direct routing", of which rule No. 5, on page 6, of tariff C.R.C. No. E-1256 and rule No. 9 of tariff C.R.C. No E-1244, are representative; and complaint of Canadian Shippers' Traffic Bureau, account Shreiner and Mawson, against rate of 19½ cents per 100 pounds charged on lumber, carloads, from Corinth, Ont, to Detroit, Mich., claim being made that the rate under long and short haul clause should not exceed the 18½-cent rate in effect from Elmira and Hawkestone, Ont.

No. 40296, February 1, 1928. Refusing application of the Canadian Shippers' Traffic Bureau for a ruling that the legal rate for lumber, carloads, from Carleton Place to Toronto, is $17\frac{1}{2}$ cents per 100 pounds, as published in Canadian Pacific Railway tariff C.R.C. No. E-3818, between Arnprior, Ont., and

Toronto, Ont.

No. 40297, February 1, 1928. Dismissing complaint of the Canadian Shippers' Traffic Bureau against rate of $23\frac{1}{2}$ cents per 100 pounds charged on a car of lumber from Gravenhurst to Listowel, Ont.

No. 40298, February 1, 1928. Dismissing complaint of the Canadian Shippers' Traffic Bureau against rate charged on a carload shipment of lumber from

Dutton, Ont., to Montreal, for export.

No. 40309, February 1, 1928. Dismissing complaint of the Canadian Shippers' Traffic Bureau against rule contained in tariffs of the Canadian National and Canadian Pacific Railways covering stop-off and reshipping arrangement on lumber, which provides that such arrangement will not apply when the stop-off point and final destination are both located within the same group of terminals.

No. 40328, February 7, 1928. Directing the Canadian National and Canadian Pacific Railways to publish import rates on wire rods, in coils, carloads, from Montreal, P.Q., to Toronto \$4.80 per gross ton, Hamilton \$4.80 per gross ton, Milton \$5.20 per gross ton, and Owen Sound \$5.80 per gross ton, minimum weight 30 gross tons, except when marked capacity of car is less, in which case the marked capacity of the car will be the minimum weight, but in no case is the minimum weight to be less than 60,000 pounds.

No. 40351, February 8, 1928. Directing that the present regulation and rate covering stock and poultry food shipped with milled-in-transit cars of flour and other grain products, published by Canadian Pacific and Canadian National Railways as applicable in territory Port Arthur, Armstrong and west thereof,

be cancelled and a new clause substituted therefor.

No. 40368, February 18, 1928. Permitting the Canadian National Railways to reissue supplement 6 to tariff C.R.C. No. E-1196 on one day's notice, to correct error in supplement 6.

No. 40384. February 16, 1928. Dismissing application and complaint of the Dominion Millers' Association regarding ex-lake grain milled in transit and

exported via New York.

General Order No. 456, March 8, 1928. Directing that, with respect to freight traffic moving between points within Canada, if there are no through rates in effect to destination, shipments must be forwarded via the route which will give the lowest combination of local rates, or charges must be based thereon if traffic is forwarded via other routes.

No. 40468, March 17, 1928. Dismissing application of Nestle's Food Co., Inc., of New York, for an order establishing joint through rates from Chester-

ville, Ont., to off-line points in Canada.

No. 40497, March 22, 1928. Dismissing application of the Imperial Tobacco Company of Canada, Limited, Montreal, for an order establishing a rating in the Canadian Freight Classification on cigars and cigarettes, carloads, of second-class, with a carload minimum weight of 20,000 pounds.

No. 40526, March 29, 1928. Directing that the period of coal movement during 1928, from Alberta to Ontario points, provided for under Order in Council

P.C. 439, shall be from April 15 to July 15, both inclusive.

No. 40534, March 29, 1928. Dismissing complaints of Eastern Canadian Preserved Foods Traffic Association, et al, against the cancellation of G. C. Ransom's tariff C.R.C. No. 343 publishing a competitive rail and water rate of 41 cents per 100 pounds on canned goods from Ontario points to Fort William and Port Arthur, Ont., when destined to points beyond.

General Order No. 457, March 24, 1928. Approving Supplement No. 4 to Canadian Freight Classification No. 17, subject to certain changes and additions.

No. 40629, April 27, 1928. Approving Supplement "A" to Express Classifi-

cation for Canada No. 7.

No. 40640, April 27, 1928. Dismissing application of the Township of York, Ont., for an order directing the Bell Telephone Company to revise its tariffs to provide that all subscribers within the township of York shall be entitled to connection with subscribers in all parts of the township of York and city of Toronto at the same rates as are charged to subscribers residing within the city of Toronto.

No. 40643, April 27, 1928. Approving Supplement "C" to Express Classifi-

cation for Canada No. 7.

No. 40687, May 9, 1928. Directing that where orders are placed with the Canadian National Railways at Coal Spur, Saunders, Lethbridge, Tabor, and Drumheller districts for 40-ton box cars, the railway company shall supply, as a minimum, 40-ton box cars amounting to 40 per cent of the total number of cars ordered, the cars so ordered to be loaded to physical capacity, and that a check be made on the 1st and 15th day of each month, to determine the proportion in which the 40-ton cars have been supplied. (Alberta Coal-Order in Council P.C. 439.)

No. 40721, May 14, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for leave to appeal from Order of the Board No. 40294, dated February 1, 1928.

No. 40722, May 14, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for leave to appeal from Order of the Board No. 40296, dated February 1, 1928.

No. 40723, May 14, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for leave to appeal from Order of the Board No. 40295,

dated February 1, 1928.

No. 40727, May 14, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for leave to appeal from Order of the Board No. 40298, dated February 1, 1928.

No. 40728, May 14, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for leave to appeal from Order of the Board No. 40309,

dated February 1, 1928.

No. 40737, May 14, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for leave to appeal from Order of the Board No. 40297,

dated February 1, 1928.

No. 40738, May 18, 1928. Requiring the Canadian Pacific and Canadian National Railways to file revised tariffs, effective May 11, 1928, which will provide for the prescribed rate on coal of \$6.75 per ton from Alberta shipping points to Ontario to include movements over more than one line of railway and switching charges when a switching movement is necessary.

No. 40807, May 30, 1928. Dismissing complaints of United Grain Growers, Limited, et al, against increased rates on live stock to points in the United States.

published in Canadian Pacific Railway tariff C.R.C. No. W-2839.

No. 40815, May 29, 1928. Approving Supplement "E" to Express Class-

ification for Canada No. 7.

No. 40842, June 1, 1928. Approving Supplement 7 to tariff C.R.C. No. E.T. 694. covering regulations for the transportation of acids and other dangerous articles by express.

No. 40853, June 6, 1928. Permitting the Union Pacific System to publish and file supplement to tariff C.R.C. No. 56 correcting error in including in said

tariff certain unauthorized routings to points in Canada.

General Order No. 459, June 7, 1928. Amending the Regulations for the Transportation of Explosives and Dangerous Articles by Freight, by substituting new Shipping Container Specification No. 14.

No. 40906, June 15, 1928. Dismissing application of the Canadian Shippers' Traffic Bureau for an order suspending and disallowing increased rates on teak-

wood lumber moving between points within Canada.

General Order No. 460, June 16, 1928. Directing that there shall be incorporated in all tariffs filed with the Board providing for diversion of carload traffic in transit between Canadian points, effective not later than July 15, a rule reading:

"When requested by owner of the property, or his representative, this railway company will make diligent efforts to locate the shipment and effect diversion in transit of carload traffic under the following conditions, but will not assume any responsibility for failure to accomplish diversion

unless such failure is due to the negligence of its employees."

and dismissing application of the Canadian Shippers' Traffic Bureau for an order defining out of line haul, and for an order requiring railway companies to make tariff provision for a reconsignment charge applicable to carload shipments moving between points within Canada, which have reached original billed destination, with benefit of the through rate applicable from point of origin to final destination.

No. 40987, June 28, 1928. Directing that British Columbia Electric, Great Northern, Canadian National and Canadian Pacific Railway tariffs providing for absorption of cartage charges at Vancouver, B.C., on eastbound competitive carload traffic be amended, not later than July 20, 1928, on Canadian traffic, and August 20, 1928, on interstate traffic, by cancelling absorption of such cartage charges on pool car traffic; and dismissing application of Leonard Warehouses, Limited, Vancouver, B.C., for cancellation of said tariffs in their entirety.

No. 41009, July 3, 1928. Approving Canadian Pacific Railway Company's Standard Freight Tariffs, Eastern Lines C.R.C. No. E-4385 and Western Lines

C.R.C. No. W-2871.

No. 41016. June 30, 1928. Directing interested carriers to file tariffs, on or before July 23, 1928, establishing the same scale of rates and tariff conditions on ex-lake grain from Port Stanley, milled at St. Thomas and reshipped to Canadian points for domestic consumption, as available from other Bay ports.

No. 41040, July 10, 1928. Approving Ottawa Electric Railway Company's Standard Passenger tariff C.R.C. No. 14, with the exception that the maximum

fare shall be 7 cents instead of 8 cents.

No. 41052, July 11, 1928. Approving the Kettle Valley Railway Company's Standard Mileage Freight tariff C.R.C. No. 385.

No. 41054, July 11, 1928. Approving the Esquimalt & Nanaimo Railway

Company's Standard Mileage Freight tariff C.R.C. No. 573.

No. 41080, July 18, 1928. Approving Canadian Pacific Railway Company's supplement 1 to Standard Sleeping and Parlour Car tariff C.R.C. No. S-18.

No. 41123, July 24, 1928. Approving Fredericton and Grand Lake Coal and Railway Standard Mileage Freight tariff C.R.C. No. 177.

No. 41124, July 24, 1928. Approving New Brunswick Coal and Railway Standard Mileage Freight tariff C.R.C. No. 143.

No. 41125, May 29, 1928. Dismissing application of the residents of Point Grey, B.C., regarding British Columbia Telephone Company's rates.

No. 41332, September 8, 1928. Suspending advance in rate on anthracite coal from Montreal to Farnham, Que., effective September 10, 1928, as contained in supplement 17 to Canadian Pacific Railway tariff C.R.C. No. E-4273 and in supplement 16 to Canadian National Railways tariff C.R.C. No. E-636.

No. 41349, September 10, 1928. Approving Canadian National Railways Standard Passenger Tariff of Sleeping and Parlour Car Tolls, C.R.C. No. E.S. 16 and C.R.C. No. W.S. 12.

No. 41375, September 12, 1928. Approving by-law of the Algoma Central and Hudson Bay Railway, appointing J. P. Mader to prepare and issue tariffs of tolls.

General Order No. 462, September 20, 1928. Directing that Rule 22 of the Board's Circular No. 204, Governing Construction and Filing of Freight and Passenger Schedules, be made applicable to passenger tariffs, and that a new rule numbered 22-A prescribing certain symbols to indicate changes made in existing rates or charges, rules, regulations or practices, be made applicable to freight tariffs and supplements thereto which may be filed with the Board on or after October 1, 1928.

No. 41574, October 16, 1928. Authorizing the Quebec Central Railway Company to file on less than statutory notice, supplement 1 to tariff C.R.C. No. 964, effective November 1, 1928.

General Order No. 464, October 20, 1928. Striking out paragraph 1553 of Regulations for Transportation of Explosives and Other Dangerous Articles by Freight, with respect to "Packing," and substituting a new clause therefor.

No. 41646, October 25, 1928. Disallowing item 250-A in supplement 21 to Canadian Freight Association tariff C.R.C. No. 47, issued by Agent F. W. Γhompson, which eliminates special commodity import rates on tea from Vancouver to points in Western Canada.

No. 41678, October 29, 1928. Approving by-law of the British America express Company, Limited, authorizing J. P. Mader to prepare and issue tariffs of tolls.

No. 41704, November 5, 1928. Dismissing application of the Fitzsimmons ruit Company, Limited, Port Arthur, Ont., regarding rates on oranges, in carbads, from California points to Port Arthur and Fort William, Ont.

No. 41709, November 5, 1928. Dismissing application of the Province of alberta and Gainers Limited, for a reduction in the current rates on fresh meat nd packing house commodities from Edmonton to Seattle and other United tates points.

No. 41710, November 3, 1928. Approving by-law No. 13 of the Brandon, askatchewan and Hudson Bay Railway authorizing H. H. Brown to prepare nd issue tariffs of tolls.

No. 41773. November 20, 1928. Approving by-law of the Nelson and Fort heppard Railway authorizing P. H. Burnham to prepare and issue tariffs of ells for the carriage of freight.

No. 41873, December 6, 1928. Dismissing application of the Regina Board Trade regarding rates from British Columbia coast points, the Canadian head the lakes, and Eastern Canadian points to Regina.

No. 41874, December 7, 1928. Dismissing complaints of Alex. McCullough & Sons, Limited, Winnipeg, et al, with respect to freight rates charged by the Canadian National Railways on coal from Three Hills, Alta., to points in Saskatchewan and Manitoba.

No. 41875, December 11, 1928. Permitting the Michigan Central Railroad Company to file, effective December 14, supplement 73 to tariff C.R.C. No. 3307 for the purpose of establishing proper rate on grain and grain products from

Comber, Ont., to Montreal.

No. 41893, December 7, 1928. Dismissing complaint of the Chisholm Saw Mills, Limited, Edmonton, Alta., regarding rates on lumber from Chisholm, Alta..

to United States points.

No. 41897, December 12, 1928. Directing that the period of coal movement during 1929, from Alberta to Ontario points, shall be from January 15 to July 15. both inclusive, and that a rate of \$6.75 per ton on coal movements, provided for under Order in Council P.C. 439, be established, to be effective during the period of the test movements herein provided for, for 1929, namely from January 15 to July 15, both inclusive.

General Order No. 465, December 7, 1928. Amending paragraph 1534 of Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, by adding sub-clause thereto relative to black powder in compressed

pellets.

General Order No. 466, December 10, 1928. Directing that paragraph 1903 (a) of Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, be struck out and new clause substituted therefor, relative to placards to be placed on unloaded tank cars which have contained inflammables.

No. 41904, December 11, 1928. Dismissing applications of the Provinces of Saskatchewan and Alberta, et al, for a readjustment of the rates on fresh meats, packing house products, hides and live stock from points in Western Canada to Vancouver, B.C., and Seattle, Wash., also to points east and south, for domestic consumption and for export.

No. 41984, December 29, 1928. Approving Standard Passenger tariff C.R.C.

No. 5 of the Sydney and Louisburg Railway.

No. 41986. December 27, 1928. Dismissing application of the Marshall Ventilated Mattress Company, Limited, Toronto, for a reduction from 12 times 1st class to 1st class in less than carload rating provided in Canadian Freight Classification No. 17, on mattresses, felt and wire coil combined, canvas covered.

TELEPHONE ORDERS

		TELEPHONE ORDERS
Order No	Date	18 210
	2000	Connecting Company
	1928	The state of the s
40156	Jan. 11	Ingersoll Telephone Company.
40157 40218	Jan. 11	Dunnville Consolidated Telephone Commence
40304	Jan. 17 Feb. 1	Saginaw Telephone Company. Van Norman Telephone System.
40425	Mar. 3	Commissioners for the Telephone System of the Municipality of the
40436	Mar. 7	of Artemesia. South Malahide Telephone Company.
40439 40440	Mar. 5 Mar. 3	Life DV(I) PV Lelenhono Componer
40564	Mar. 3 April 4	Wightman Telephone System. Belmont Telephone Co-operative Association, Ltd.
40588 40614	April 14 April 18	
40651	April 30	Capreol Telephone Company The West Williams Rural Telephone Association.
40699	May 5	Commissioners for the Telephone System of the Municipality of the Township of Brooke,
40758	May 21	La Compagnie de Telephone Purple de St. Compagnie de Telephone
40871 40872	June 11 June 11	
40917		Le Système de Telephone Larocque. Commissioners for the Telephone System of the Municipality of the Township of Doyer.
40990	June 27	Dover.
41022	July 5	La Compagnie de Telephone de St. Ours. Commissioners for the Telephone System of the Municipality of the Township of Cramahe.
41023	July 5	of Cramahe. Gatineau Valley Telephone Company.
41035 41038	oury 9	Arundel Development Company
41055	outh o	La Compagnie de Telephone de St. Jude. La Compagnie de Telephone de St. Amable et Ste. Julie.
41120 41121		
41248	July 20 Aug. 17	Fretts & Brisg Telephone Association. La Ligne Telephonique des Cultivateurs de la Province de Quebec.
41250 41253		
41268	Aug. 23	Canadian Telephone Company. Le Telephone de St. Sebastien d'Iberville.
41286 41291	1 21 ug. 20 11	La Compagnie de Telephone Rurel de Honnastille
41309	Aug. 30	Palace Road Telephone Company
41310 41313		Pleasant Valley Telephone Company. Dormin Brook Telephone Line.
41334	Dept. 4 1	Lennox Telephone Company
41348 41350	Sept. / L	La Cie de Telephone Rural de St. Mathieu. F. E. Came Telephone Line.
41351 41363	Sept. 7 I	48 Minerve Telephone System
41377	Dept. II	Thomas H. Herrington. a Cie de Telephone de Notre Dame de Pierreville.
41378 41379	Sept. 12 C	
41382	Dept. 12 [0]	ervice d'Amelioration Ltee. Intario Forestry Branch.
41413 41414	Sept. 17 T	De Ferry Road Telephone Commons
41415	Sept. 17 A	acorn Rural Telephone Association.
41417 41422	Deht. 10 12	COUCH Line and Stanleyville Telephone Company
41432	Sept. 21 B	olton Glen Telephone Association
41482 41504	Dehr. 70 (9)	nake River Telephone Company. orporation of the City of Fort William.
41513 41516	0000 1 1	estport fillral Telephone Company
41597	Oct. 17 L	oring, Golden Valley and Powerson Telephones, I but the
41630 41638		
41712	Nov. 5 U	pper Admaston Telephone Company
41714 41715	Nov. 5 Li	gntning Telephone Company
41716		yndford-Douglas Telephone Association. ilbury West Municipal Telephone System.
41722 41774	1404. FIS	a Compagnie de Telephone de la Petite Nation. rdney Telephone Company.
41791 41792	Nov. 21 Ev	Vergreen Telephone Company
41924	110V. 21 He	enderson Telephone Company. oueester Township Telephone Company.
41936 41939	Dec. 18 Sta	anuaru Unemical Company
41977	Dec. 18 11n	ne Schomberg Telephone Company. awley Telephone Company.
94522 21		Company,
202074 71		

APPENDIX "B"

REPORT OF THE CHIEF ENGINEER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1928

OTTAWA, March 1, 1929.

A. D. CARTWRIGHT, Esq., Secretary Board of Railway Commissioners, Ottawa, Ont.

SIR,-I have the honour to submit herewith synopsis of my annual report as to the work of the Engineering Department during the year 1928.

I have the honour to be, sir, Your obedient servant, T. L. SIMMONS.

Chief Engineer.

ROUTE MAPS

Approval of general location of the Unwin Westerly Branch of the Canadian Pacific Railway, from section 30, township 47, range 27, W. 3 meridian, at mile 0 to section 28, township 47, range 3, W. 4 meridian, province of Alberta.

Approval of general location of the Fife Lake Branch of the Canadian Pacific Railway, from section 10, township 2, range 23, W. 2 meridian, at mile 60.6, to section 7, township 2, range 24, W. 2 meridian, at mile 64.9, in province of Saskatchewan.

Approval of general location of the Lloydminster Northeasterly Branch from a point in section 2, township 50, range 28, at mile 0, to section 28, township 49, range 23, W. 3 meridian, at mile 48.62, province of Saskatchewan.

Approval of general location of tunnel and approaches of the Detroit and

Windsor Subway Company under the Detroit river, at Windsor, Ont.

Approval of general location of the Edmonton, Dunvegan and British Columbia Railway, from Spirit river to west boundary of section 30, township 78, range 18, W. 6 meridian, and extension of the Grande Prairie Branch from Wembley to a connection with the main line in township 78, range 15, W. 6 meridian, province of Alberta.

Approval of general location of the Gem Branch of the Canadian Pacific Railway, from section 52, township 21, range 15, W. 4 meridian, at mile 0 to section 9, township 23, range 16, W. 4 meridian, province of Alberta.

Approval of general location of the Swift Current Northwesterly Branch of the C.P.R., from section 11, township 56, range 15, W. 4 meridian, at mile 361.16 to section 17, township 56, range 17, W. 4 meridian, at mile 378.0, and from section 6, township 56, range 19, W. 4 meridian, at mile 392.0 to section 22. township 53, range 23, W. 4 meridian, at mile 418.00 in province of Alberta.

Approval of general location of the Gatineau Transmission Company's power line from Farmers Switching Station to Val Tetreau, in province of Quebec.

Approval of general route of the Gatineau Transmission Company's line from power house in the Ottawa river near Bryson, P.Q., to its substation in Val Tetreau, P.Q.

Approval of general location of the Gatineau Transmission Co., from Val Tetreau to a point on the Interprovincial Boundary in the Remic rapids of the

Approval of general location of the Aeme Northwesterly Branch of the Canadian Pacific Railway, from section 32, township 29, range 25, W. 4 meridian, at mile 0 to section 21, township 33, range 26, W. 4 meridian, at mile 25 in province of Alberta.

LOCATION

Approval of location of portion of the Niagara, St. Catharines and Toronto Railway between Portage road, in city of Niagara Falls, and Winery road, in township of Stamford, province of Ontario.

Approval of location of branch line of Canadian Pacific Railway from mile 86.86, Langdon North Branch, near Rosedale, Alta., through sections 15, 21, 22

and 28, township 28, range 19, W. 4 meridian, a distance of 2.22 miles.

Approval of location of portion of the Fife Lake Westerly Branch of the Canadian Pacific Railway from section 10, township 3, range 30, W. 2 meridian, at mile 0, to section 9, township 3, range 30, W. 2 meridian, at mile 0.67.

Approval of location of portion of the Hatton Northeasterly Branch of the Canadian Pacific Railway from section 33, township 12, range 29, at mile 0, to section 33, township 14, range 27, W. 3 meridian, at mile 17.7, province of Sas-

katchewan.

Approval of location of tunnel and approaches of the Detroit and Windsor

Subway Company in city of Windsor, Ont.

Approval of location of a portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway from mile 182.13 to mile 182.34, province of Alberta.

Approval of location of the Asquith-Cloan Branch of the Canadian Pacific Railway from section 25, township 36, range 10, W. 3 meridian, at mile 0, to

mile 29.79, province of Saskatchewan.

Approval of location of a portion of Archive-Wymark Branch of the Canadian Pacific Railway from section 25, township 14, range 1, W. 3 meridian, at mile 21.25, to section 4, township 14, range 3, W. 3 meridian, at mile 37.67. province of Saskatchewan.

Approval of location of an extension of the Nipissing Central Railway from the town of Rouyn to Noranda, in township of Rouyn, county of Temiscamingue,

province of Quebec.

Approval of location of a portion of the Assiniboia-Consul Branch of the Canadian Pacific Railway from section 31, township 5, range 5, W. 3 meridian, at mile 123.20, to section 30, township 5, range 9, W. 3 meridian, at mile 150.15, province of Saskatchewan.

Approval of location of a portion of the Unwin Westerly Branch of the Canadian Pacific Railway from section 30, township 47, range 27, W. 3 meridian, at mile 0, to section 28, township 47, range 3, W. 4 meridian, at mile 25.2,

province of Alberta.

Approval of location of a portion of the Fife Lake Branch of the Canadian Pacific Railway, from section 10, township 2, range 25, W. 2 meridian, at mile 60.2, to section 5, township 2, range 24, W. 2 meridian, at mile 65.68, province of Saskatchewan.

Approval of location of a portion of the Leader Southeasterly Branch of the Canadian Pacific Railway from section 7, township 16, range 19, W. 3 meridian, at mile 120.30, to section 22, township 16, range 17, W. 3 meridian, at

mile 144.70, in province of Saskatchewan.

Approval of location of a portion of the Woolford Southeasterly Branch of the Alberta Railway and Irrigation Company from section 4, township 3, range 24, W. 4 meridian, at mile 0 to section 16, township 1, range 23, W. 4 meridian, at mile 13.6, province of Alberta.

Approval of location of a portion of the Aikins Northerly Branch from section 13, township 16, range 13, W. 3 meridian, mile 0 to section 12, township

19, range 14, W. 3 meridian, at mile 20.04, province of Saskatchewan.

Approval of location of a portion of the Lloydminster Northeasterly Branch of the Canadian Pacific Railway from section 2, township 50, range 28, W. 3 neridian, at mile 0 to section 34, township 51, range 27, W. 3 meridian, at mile .5.72, in province of Saskatchewan.

Approval of location of a portion of the Grand Prairie Branch of the Edmonton, Dunvegan and British Columbia Railway from mile 77.72 to 89.70,

in province of Alberta.

Approval of location of a portion of the Rosetown-Perdue Branch of the Canadian Pacific Railway from section 24, township 33, range 13, W. 3 meridian, at mile 26.81 to section 31, township 35, range 11, W. 3 meridian, at mile 44.63, province of Saskatchewan.

Approval of location of a portion of the Swift Current Northwesterly Branch (Willingdon to Strathcona) of the Canadian Pacific Railway from section 11, township 56, range 15, W. 4 meridian, at mile 361.14 to section 31, township 52, range 23, W. 4 meridian, at mile 423.20, province of Alberta.

Approval of location of portion of the Swift Current Northwesterly Branch of the Canadian Pacific Railway from section 31, township 52, range 14, W. 4 meridian, at mile 339.44 to section 11, township 56, range 15, W. 4 meridian, at mile 361.14, province of Alberta.

Approval of location of the Gem Branch from section 32, township 21, range 15, W. 4 meridian, at mile 0, to section 9, township 23, range 16, W. 4

meridian, at mile 11.84, province of Alberta.

Approval of location of a portion of the Leader Southeasterly Branch of the Canadian Pacific Railway from section 6, township 16, range 19, W. 3 meridian, at mile 119.16, to section 7, township 16, range 19, W. 3 meridian, at mile 120.3, province of Saskatchewan.

Approval of location of transmission line of the Gatineau Transmission Company and Farmers Switching Station southward to Val Tetreau Substation,

mile 0 to 5.60, in province of Quebec.

Approval of location of transmission line of the Gatineau Transmission line from Val Tetreau at mile 5.67 to the Interprovincial Boundary, at mile 7.06, in the Remic Rapids of the Ottawa River.

Approval of location of a portion of Aikins Northerly Branch of the Canadian Pacific Railway from section 31, township 18, range 13, W. 3 meridian,

at mile 18.12, to mile 19.89, province of Saskatchewan.

Approval of location of a portion of the Swift Current Northwesterly Branch of the Canadian Pacific Railway from section 35, township 40, range 13, W. 4 meridian, at mile 261.49, to section 9, township 44, range 12, W. 4 meridian, at mile 283.95, province of Alberta.

Approval of location of portion of the Hatton Northwesterly Branch of the Canadian Pacific Railway from section 33, township 14, range 27, W. 3 meridian, at mile 17.67, to section 2, township 15, range 27, W. 3 meridian, at mile 17.78,

province of Saskatchewan.

REVISED LOCATION

Revised location of Langdon North Branch (Acme to Empress) of the Canadian Pacific Railway from section 15, township 28, range 19, W. 4 meridian, at mile 86.86, to section 19, township 25, range 15, W. 4 meridian, at mile 115.75, province of Alberta.

Revised location of the Vancouver Harbour Commissioners' Terminal Railway between St Andrews street and Chesterfield avenue, in city of North Van-

couver, B.C., a distance of 2734.7 feet.

Revised location of connecting line between the International Railway and the Canadian National Railways on lots 57 and 59, township of Stamford,

county of Welland, province of Ontario.

Revised location of the Vancouver Harbour Commissioners Railway, North Shore Section, from Lynn Creek to a connection with the tracks of the Pacific and Great Eastern Railway, immediately West of Chesterfield avenue, North Vancouver, a distance of 2.25 miles.

Revised location of a portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway, from section 13, township 53, range 6, at mile 117.74, to east limit of section 33, township 54, range 11, W. 4 meridian, at mile 152.14, province of Alberta.

Revised location of a portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway from section 13, township 54, range 11, W. 4 meridian,

at mile 152.14 to mile 182.13, in province of Alberta.

Revised location of a portion of the Asquith-Cloan Branch of the Canadian Pacific Railway from mile 29.79, to northern limit of section 32, township 39,

range 12, W. 3 meridian, at mile 30.67, province of Saskatchewan.

Revised location of a portion of the Foam Lake Southwesterly Branch of the Canadian Pacific Railway from section 31, township 30, range 11, W. 2 meridian, at mile 0 to the east limit of section 25, township 29, range 15, W. 2 meridian, at mile 27.05, province of Saskatchewan.

Revised location of a portion of the Rosemary Northerly Branch of the Canadian Pacific Railway from section 1, township 21, range 16, W. 4 meridian, at mile 0, to section 35, township 24, range 15, W. 4 meridian, at mile 25.06,

province of Alberta.

Revised location of a portion of the Archive-Wymark Branch of the Canadian Pacific Railway from section 16, township 4, range 1, W. 3 meridian, at mile 26.16, to section 8, township 14, range 2, W. 3 meridian, at mile 33.29, province of Saskatchewan.

Revised location of main line of Canadian Pacific Railway between mile 24.71, and 25.39, Webbwood Subdivision, township of Drury, district of Sud-

bury, province of Ontario.

Revised location of the Swift Current Northwesterly Branch of the Canadian Pacific Railway from section 22, township 53, range 23, W. 4 meridian, at mile 417.8, to section 16, township 53, range 23, W. 4 meridian, at mile 419.6, in province of Alberta.

Revised location of main line of the Canadian Pacific Railway between mile 24.58 and 24.83, Parish of St. Andre, county of Madawaska, province of New Brunswick.

Revised location of the Cumberland Railway and Coal Company's main line from Springhill Junction, mile 1.37, to Springhill, Nova Scotia, at mile 2.68.

Revised location of Swift Current Northwesterly Branch of Canadian Pacific Railway from section 25, township 53, range 23, W. 4 meridian, mile 415.24 to 423.20, and from mile 423.20 to mile 428.49, in province of Alberta.

Revised location of the Aikins Northerly Branch from mile 19.89, to section

13, township 19, range 14, W. 3 meridian, at mile 20.53.

Revised location of a portion of the Lake Erie and Northern Railway

(C.P.R.) in the village of Port Dover, Ontario.

Revised location of a portion of the Swift Current Northwesterly Branch of the Canadian Pacific Railway from section 1, township 56, range 20, W. 4 meridian, at mile 391.96, to section 25, township 53, range 23, W. 4 meridian, at mile 415.24, in province of Alberta.

Revised location of a portion of the Moose Jaw Southwesterly Branch of the Canadian Pacific Railway from section 15, township 5, range 4, W. 3 meridian, at mile 111.0, to section 26, township 5, range 9, W. 3 meridian, at mile

144.9, in province of Saskatchewan.

Revised location of a portion of the Langdon North Branch of the Canadian Pacific Railway from mile 92.6 to 93.2, all in N.E. 4 section 29, township 27, range 18, W. 4 meridian, province of Alberta.

RAILWAY CROSSINGS

Crossing of the tracks of the Montreal and Southern Counties Railway, at grade by the tracks of the Peck Rolling Mills, Ltd., on Mill street, Montreal, P.Q.

Crossing of tracks of the Hydro Electric Railway by the Canadian National

Railways on Sandwich street, in town of Ford City, Ontario.

Crossing of tracks of the British Columbia Electric Railway by the

Canadian Northern Pacific Railway at South Westminster, B.C.

Crossing of the tracks of the Canadian National Railways by the tracks of the Harbour Commision of Quebec, at Station 270 + 61 in parish of Sillery, county of Quebec, province of Quebec.

Crossing of tracks of the Hamilton Strret Railway by the spur serving the Hamilton Harbour Commissioners of the Canadian National Railways, on Bur-

lington street, Hamilton, Ont.

Overhead crossing of the Canadian National Railways by the Shawinigan Lake Lumber Company, Limited, at approximately mile 48, Vancouver Island line.

Overhead crossing of the Canadian National Railways by the Canadian Pacific Railway in section 27, township 40, range 23, W. 3 meridian, at Round

Valley, Sask.

Crossing of the tracks of the Grand Trunk Pacific Railway (C.N.Rys.) by the Canadian National Railways in section 13, township 53, range 23, W. 3 meridian, near Clover bar, Alta.

Crossing of the tracks of the Canadian National Railways by the Canadian Pacific Railway in section 31, township 52, range 23, W. 4 meridian, province

of Alberta.

Crossing of the tracks of the Canadian National Railways by the Canadian Pacific Railway in section 34, township 55, range 20, W. 4 meridian, near Bruderheim, Alta.

Crossing of tracks of the Canadian National Railways by the Rosetown-Perdue Branch of the Canadian Pacific Railway in section 30, township 35,

range 11, W. 3 meridian, near Leney, Sask.

Crossing of tracks of the Great Northern Railway by the Canadian Northern Pacific Railway on Front street, opposite Begbie street; the tracks of the Canadian Pacific Railway on Front street, opposite Eight street, the tracks of the British Columbia Electric Railway on Columbia street, opposite Tenth street; and the tracks of the Shingle Mill Spur and main line of the British Columbia Electric Ry., at the intersection of Royal avenue and Columbia street, in the city of New Westminster, B.C., by the Canadian Northern Pacific Railway.

OPERATION OF INTERLOCKING PLANTS

Operation of interlocking plant at crossing of the Canadian Pacific Railway

and Michigan Central Railroad at Appin, Ont.

Operation of interlocking plant at the crossing of the Canadian National Railways by the Canadian Pacific Railway at mile 25.6 La Tuque Subdivision, at St. Basile, P.Q.

Operation of interlocking plant at crossing of the Saskatoon Loop Line of Canadian National Railways with the Saskatoon Terminals Subdivision of the

Canadian National Railways at Saskatoon, Sask.

Operation of interlocking plant at crossing of Imperial Oil Company's spur by Canadian National Railways at mile 29.9, L'Assomption Subdivision, at Montreal East, Que.

Operation of connection between the Canadian Pacific Railway and the

Canadian National Railways at Dutton, Ont.

RAILWAY CONNECTION

Connection between the tracks of the Canadian Pacific Railway and the Canadian National Railways in lot 14, concession 4, township of Tay, county of Simcoe, province of Ontario.

Connection between the tracks of the Vancouver Harbour Commissioners' Terminal Railway and the Pacific and Great Eastern Railway immediately west

of Chesterfield avenue, North Vancouver, B.C.

Connection between the tracks of the Midland-Simcoe Railway and the Canadian National Railways in vicinity of Quebec street, in town of Midland, Ont.

Connection between the tracks of the Vancouver, Victoria and Eastern Rail-

way and the British Columbia Electric Railway at Abbotsford, B.C.

Connection between tracks of the Niagara, St. Catharines and Toronto Railway and the tracks of the Niagara Peninsular Railway at Port Colborne,

Connection between the tracks of the Canadian Pacific Railway and the Canadian National Railways in lot 13, concession 4, township of North Oxford, county of Oxford, province of Ontario.

Connection between the tracks of the Canadian Pacific Railway spur track serving T. Langton at Medonte, Ont., and the tracks of the Canadian National

Railways.

Connection between transfer tracks of the Canadian Pacific Railway with industrial spur of the Canadian National Railways in blocks 135 and 128, in

city of Regina, Sask.

Connection between tracks of the Canadian Pacific Railway serving the Thunder Bay Paper Company Limited and the Canadian National Railways in mining location lot 3, township of McGregor, district of Thunder Bay, city of Port Arthur, Ont.

Connection of spur track of the Woodlands Sand and Gravel Company

with main line of Canadian Pacific Railway near Marquette, Man.

Connection between the Swift Current Northwesterly Branch of Canadian Pacific Railway and the Edmonton, Yukon and Pacific Railway (C.N.Rys.) in S.W.¹/₄ section 21, township 52, range 24, W. 4 Mer., province of Alberta.

Connection between the Lake Erie and Northern Railway (C.P.R.) and the

Canadian National Railways at station 1602-00, in village of Port Dover, Ont. Connection between spur of the Canadian National Railways serving the Robinhood Mills Limited and the Pheasant Hills Branch of the Canadian Pacific Railway at Saskatoon, Sask.

Connection between the Canadian National Railways and the Canadian

Pacific Railway at Kelowna, B.C.

INTERCHANGE TRACKS

Interchange track between the Canadian Pacific Railway and the Canadian National Railways in the town of Pembroke, Ont.

Interchange track between the Canadian National Railways and Canadian

Pacific Railway in the town of Ingersoll, Ont.

Interchange tracks between the Canadian National Railways and Canadian Pacific Railway at or near Scottsburg, or Dendron, in province of Saskatch-

Interchange track between the Canadian National Railways and Canadian Pacific Railway at Red Deer, Alta.

PROTECTION AT HIGHWAY CROSSINGS

Installation of automatic bell and wigwag signal protection at crossing of Park street by the Pere Marquette Railway in city of Chatham, Ont.

Replacing of fences and gates, and removal of bell and wigwag at crossing of Savoy avenue, in township of East York, by the Canadian National Rail-

wavs.

Improvement to view at highway crossing over Canadian National Railways between lots 26 and 27, in Half Mile or Indian Strip, in township of Arran, county of Bruce, province of Ontario, by cutting down the bank in the northeast angle of the crossing.

Improvement to view at crossing of Canadian National Railways at county road No. 6, lots 15 and 16, concession 15, township of Mariposa, province of

Improvement to view at highway crossing of the Canadian National Railways in S.W. 4 section 14, township 39, range 23, W. 4 meridian, province of Alberta, by cutting off shoulder of bank in southeast angle of the crossing and chiselling off the top of the bank on the west side of the track.

Improvement to view and establishing sight lines at crossing of Carling avenue, in the township of Nepean, province of Ontario, by the Canadian

National Railways.

Removal of trees, cutting down the bank obstructing the view, and establishing of sight lines at first public crossing on the Canadian National Railways east of Tillsonburg, Ont.

Installation of two automatic bells and wigwags at crossing just west of

Rush Lake Station, Saskatchewan, by the Canadian Pacific Railway.

Removal of obstructions to view at highway crossing at Maple Grove, Ont., by the Lake Eric and Northern Railway (C.P.R.) at mile 27.7.

Installation of bell and wigwag by Canadian Pacific Railway at highway

crossing at McLean, Sask.

Installation of wigwag signal at crossing of Strange street, Kitchener, Ont., by the Canadian National Railways.

Installation of automatic bell and wigwag at crossing of Stanley street, Niagara Falls, Ont., by the Niagara, St. Catharines and Toronto Railway.

Installation of wigwag signal on the north side of the track at Sixth Line Road Crossing of the Canadian National Railways west of Oakville Station, Ont.

Installation of double bells and wigwags at the crossing of Main street,

Woodslee, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwag signals at the crossing of Angle road, No. 2 Provincial Highway, three-quarters of a mile west of Ruscomb, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wigwag signal at crossing of Provincial Highway just west of Myrtle Station, Ont., by the Canadian Pacific Railway.

Improvement of view at Aiken's Crossing, mile 121.27 Mulgrave Subdivision. Canadian National Railways, by cutting away the bank in northwest angle of the crossing.

Installation of double bells and wigwags at road crossing 1.60 miles east

of Yarmouth, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwags at highway crossing at Brownsville Station, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwags at highway crossing at Townsend

Centre, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwags at highway crossing 2.65 miles

East of Perry Station, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwags at crossing of Talbot Road 1.92 miles West of Canfield Junction, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwags at highway crossing 0.94 miles West of Tillsonburg Station, Ont., by the Michigan Central Railroad.

Diversion of Provincial Highway in lots 30 and 31, concessions 8 and 9, township of Collingwood, and elimination of level crossing of Canadian National Railways.

Diversion of Provincial Highway on lots 30 and 31, concessions 8 and 9, township of Collingwood, province of Ontario. to eliminate a level crossing of the

Canadian National Railways.

Installation of double bells and wigwags at crossing of Provincial Highway No. 2 two and a half miles east of Tilbury, Ont., by the Michigan Central Railroad.

Installation of double bells and wigwags at crossing of Provincial Highway No. 2, by the Canadian National Railways near Gobles, Governor's Road Crossing, at mile 84.38, Dundas Subdivision.

Removal of obstructions to view at highway crossing at mile 27.9, Waltham

Subdivision, Canadian Pacific Railway.

Installation of double bells and wigwags at crossing of Stone road, 0.13 miles south of station at Montrose Junction, Ont., by the Michigan Central Railroad.

Installation of bell and wigwag at crossing of Winnipeg street, Regina, Sask., between Ninth and Tenth avenue, by the Canadian Pacific Railway.

Installation of automatic bells and wigwags at the first crossing west of station at Tecumseh, Ont., known as Lesperance road, by the Canadian National Railways.

Installation of automatic bell and wigwag at crossing of highway by the Canadian National Railways at intersection of Yale road and Water street, at

Hope, B.C.

Improvement to view at highway crossing in Northeast quarter section 5, township 10, range 9, W. 1 meridian, and Southeast quarter section 8, township 10, range 9, W. 1 meridian, at mile 19.1 Pleasant Point Subdivision, Canadian National Ralways.

Installation of double bell and wigwag at crossing of Tecumseh Road, township of Maidstone, immediately west of Puce River, in province of Ontario.

Installation of automatic bell and wigwag at crossing of main highway at South Pinafore, near St. Thomas, Ont., by the London and Port Stanley Railway.

Installation of semi-automatic signals and derails at crossing of single track of London and Port Stanley Railway by the London Electric Railway on Horton street, London, Ontario.

Installation of automatic bell and wigwag at crossing of the highway immedi-

ately north of Rothesay Station, New Brunswick.

Removal of obstructions to view at first highway crossing west of Courtright Station, Ont., by the Pere Marquette Railway.

Installation of wigwag signals in addition to present bell at crossing of Princess street, St. Thomas, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wigwag at crossing of Main street,

Antigonish, Nova Scotia, by the Canadian National Railways.

Installation of automatic bell and wigwag at public crossing immediately east of station at Penobsquis, New Brunswick, by the Canadian National Railways.

Removal of obstructions to view at highway crossing east of Fenwood,

Saskatchewan, by the Canadian National Railways.

Installation of bells and wigwags at crossing of the Side road between lots 18 and 19, township of Oneida, county of Haldimand, province of Ont., immediately west of Dufferin Station.

Installation of bells and wigwags at crossing of Ontario road, 0.6 miles east

of Welland, Ont., by the Michigan Central Railroad.

Installation of bells and wigwags at the crossing of highway in southeast quarter of lot 20, township of Aldborough, province of Ontario, 0.75 miles east of West Lorne, Ont.

Installation of bells and wigwags at the crossing of the highway between the townships of Howard and Oxford, 2.42 miles west of Highgate, Ont., by the

Michigan Central Railroad.

Installation of bells and wigwags at crossing of Side road at Villa Nova

Station, Ont., by the Michigan Central Railroad.

Installation of bells and wigwags at highway crossing 2.36 miles west of Rodney, Ont., by the Michigan Central Railroad.

Installation of bells and wigwags at highway crossing 2.73 miles east of

Welland, Ont., by the Michigan Central Railroad.

Installation of bells and wigwags at Communication road, 0.89 miles east of

Fargo, Ont., by the Michigan Central Railroad.

Installation of bells and wigwags at the crossing of the Town Line road,

0.50 miles west of Taylor, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wigwag at crossing of Drouillard road,

Ford City, Ont., by the Essex Terminal Railway.

Installation of automatic bell and wigwag at crossing of highway at mile 22.86 Sussex Subdivision, Canadian National Railways, at Petitocdiac, New Brunswick.

Installation of automatic bell and wigwag at crossing of the highway at

Bayfield road, Nova Scotia, by the Canadian National Railways.

Installation of automatic bell and wigwag at Stewiacke, Nova Scotia.

mileage 46.80, Bedford Subdivision, Canadian National Railways.

Installation of automatic bells and wigwags at Richards Crossing, Campbellton, New Brunswick, mile 182.85, Bathurst Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Marysville, New Brunswick,

at mile 106.90, Nashwaak Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Hardwood Ridge, New Brunswick, at mile 54.54, Chipman Subdivision, Canadian National Railways.

Installation of automatic bells and wigwag at Amherst, N.S., at mile 77.16.

Springhill Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Apohaqui, N.B., at mile

50.17, Sussex Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Nauwigewauk, N.B., mile 72.60, Sussex Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Isle Verte, P.Q., mile 67.36.

Rimouski Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Water Street, Chatham, N.B.,

mile 7.60, Loggieville Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at Norton, N.B., mile 56.62. Sussex Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at St. Octave, Quebec, mile

100.02, Metapedia Subdivision, Canadian National Railways.

Installation of automatic bell and wigwag at St. Moise, P.Q., mile 83.38.

Metapedia Subdivision, Canadian National Railways.

Removal of obstructions to view at highway crossing between lots 10 and 11, concession 3, south of Dundas street, in the township of Trafalgar, province of Ontario, by the Canadian National Railways.

Installation of wigwag signal in addition to existing bell at crossing of

Northumberland avenue, at Avr., Ont., by the Canadian Pacific Railway.

Installation of automatic bell and wigwag at Dundas street, Lambton Mills, Ont., by the Canadian National Electric Railways.

Installation of wigwags and electric bells at crossing of Eastern avenue, Toronto, Ont., by the Canadian National Railways.

Installation of wigwag signal in addition to present bell at highway crossing 1.7 miles west of Galt Station, Ont., by the Canadian Pacific Railway.

Installation of wigwag signal in addition to existing automatic bell at crossing of Eagle avenue, Weston, Ont., by the Canadian Pacific Railway and Canadian National Railways.

Installation of automatic bell and wigwag at crossing of Tilbury street,

Tilbury, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wigwag at crossing of Queen street, Til-

bury, Ont., by the Michigan Central Railroad.

Installation of automatic wigwag signal in addition to electric bell at crossing of Parks street, Chatham, Ont., by the Canadian National Railways. OPENING FOR TRAFFIC

Opening for traffic new main line of Canadian National Railways, in Sas-

katoon, Sask., known as Loop Line, a total distance of 8.35 miles.

Opening for traffic a portion of the Niagara, St. Catharines and Toronto Railway along Lundy's Lane, between Portage road and Winery road, in the city of Niagara Falls, township of Stamford, province of Ontario.

Opening for traffic connection between the Canadian Pacific Railway and the Canadian National Railways in lot 14, concession 5, and in lot 14, conces-

sion 4, township of Tay, county of Simcoe, province of Ontario.

Opening for traffic the Saskatoon Loop Line of the Canadian National

Railways in the city of Saskatoon, Sask.

Opening for traffic portion of the Cassils Southerly Branch of the Canadian Pacific Railway from Cassils, at mile 0 to Scandia, at mile 23.4, in province of Saskatchewan.

Opening for traffic portion of line of Canadian Northern Pacific Railway from mile 83.31 to 95.0, Cowichan Subdivision, province of British Columbia.

Opening for traffic portion of the Asquith-Cloan Branch of the Canadian

Pacific Railway from mile 0 to 29.83, province of Saskatchewan.

Opening for traffic portion of main line of the Canadian Pacific Railway, double track between mile 8.86 and 16.99, White River Subdivision, a distance of 8.13 miles.

Opening for traffic portion of the Lanigan Northeasterly Branch (North of

Melfort), mile 83.56 to 101.78, province of Saskatchewan.

Opening for traffic portion of the Moose Jaw Southwesterly Branch (Assiniboia-Consul), Canadian Pacific Railway, from mile 78.93 to 107.43, Maxstone to Wood Mountain, province of Saskatchewan.

Opening for traffic portion of the Cutknife-Whitford Lake Branch of the Canadian Pacific Railway (Clandonald to Willingdon), mile 117.0 to 182.3,

province of Alberta.

Opening for the carriage of traffic Radville-Weyburn Branch of Canadian National Railways from Weyburn to Radville, in province of Saskatchewan.

Opening for traffic the extension of the Nipissing Central Railway from

Rouyn, mile 58.70, to Noranda, mile 59.87, in the province of Quebec.

Opening for traffic a portion of the main line of the Canadian Pacific Rail-

way, Webbwood Subdivision, from mile 24.71 to 25.39, as relocated.

Opening for traffic the Ashmont-Bonneyville Branch of the Canadian National Railways from junction of said branch with the Coronado Subdivision of the Canadian Northern Railway at mile 108.16, to Bonneyville, a distance of 37.15 miles, also east leg of Wye at said junction, a distance of 0.27 miles.

Opening for traffic portion of the Bretona-Clover Bar Branch of the Canadian National Railway from junction with the Viking Subdivision of the Grand Trunk Pacific Railway at mile 120.83 to junction with the Strathcona Subdivision of the Canadian Northern Railway at mile 35.86, a distance of 9.61 miles, in province of Alberta.

Opening for traffic portion of the Cowichan Subdivision, Canadian National Railways, from mile 83.31 to 94.97, province of British Columbia.

Opening for traffic of the interchange track between the Canadian Pacific

Railway and the Canadian National Railways at Montfort Junction, P.Q.

Opening for traffic of the Elk Point Branch of the Canadian National Rail-

ways from mile 141.73 to mile 161.22, in province of Alberta.

Opening for traffic portion of the Swift Current Northwesterly Branch of Canadian Pacific Railway from mile 361.3 at Willingdon, to mile 428.7 at

Strathcona, in province of Alberta.

Opening for traffic of the Bretona-Clover Bar Branch of the Canadian National Railways from junction with Viking Subdivision, Grand Trunk Pacific Railway, at mile 120.83, to junction with the Strathcona Subdivision, Canadian Northern Railway, at mile 35.86, a distance of 9.62 miles, in the province of Alberta.

Opening for traffic portion of the Turtleford Southeasterly Branch of the Canadian National Railways from Rabbit Lake, at mile 65.5, to junction with Blaine Lake Subdivision of the Canadian Northern Railway at Speers, Sas-

katchewan, a distance of 37.34 miles.

Opening for traffic Willowbrook Branch of Canadian National Railways from mile 0, at the junction with the Tonkin Subdivision, Canadian National Railways, at mile 89.76, to Crotherview, Sask., a distance of 22.44 miles.

Opening for traffic portion of Spruce Lake Westerly Branch from mile 0, at the junction with the Turtleford Subdivision, Canadian Northern Railway, at mile 71.88, to Frenchman Butte, Sask., a distance of 29.0 miles.

Construction of a subway underneath the Canadian Pacific Railway at mileage 28.9 MacTier Subdivision.

Construction of a subway under the tracks of the Canadian National Rail-

ways on the Charlesbourg road, in the city of Quebec, province of Quebec.

Construction of a subway under the tracks of the Canadian Pacific Railway at St. Maurice street, Three Rivers, P.Q.

Construction of a subway under the highway at Summit avenue, Shawinigan

Falls, P.Q., by the Canadian National Railways.

Construction of a subway under the highway at Hemlock avenue, Shawini-

gan Falls, P.Q.

Construction of subway to carry double track of the Toronto, Hamilton and Buffalo Railway across highway known as Stoney Creek Mountain road, in township of Saltfleet, county of Wentworth, province of Ontario.

Construction of a subway to carry Ray avenue, in township of York, province of Ontario, across the tracks of the Canadian National Railways and the

Canadian Pacific Railway.

Construction of a subway under the tracks of the Canadian National Railways on Websters Side road between lots 26 and 27, concession 1, township of

Saltfleet, county of Wentworth, province of Ontario.

Reconstruction of subway at mile 211.91 Gananoque Subdivision, east of Shannonville, Ontario, in Township of Tyendinaga, county of Hastings, province of Ontario, by the Canadian National Railways and Department of Highways of province of Ontario.

Construction of highway crossing under the Canadian Pacific Railway

on Corbin Road, at McGillivray, British Columbia.

PROTECTION AT RAILWAY CROSSINGS

Installation of interlocked home signals, and discontinuance of full interlocking plant at Blenheim, Ont., by the Pere Marquette Railway.

Installation of temporary diamond on the main line of the Canadian National Railways at mile 2.37, Shawinigan subdivision, for construction of Shawinigan Falls diversion.

Installation of automatic signal protection at crossing of Canadian National Railways at mile 41.95, Drummondville subdivision at Actonvale, P.Q., by the

Canadian Pacific Railway.

Installation of automatic signal protection at crossing of the Canadian Pacific Railway by the Canadian National Railways at Montfort Junction, P.Q.

Installation of interlocking plant at crossing of Canadian National Railways

by the Canadian Pacific Railways near Clover Bar, Alta.

Installation of interlocking plant at crossing of Canadian National Railways (Bretona-Clover Bar Cut-off) by the Canadian Pacific Railway (Swift Current Northwesterly Branch) in section 31, township 52, range 23, W. 4 meridian, province of Alberta.

Installation of interlocking plant at crossing of Canadian National Railways by the Canadian Pacific Railway in section 34, township 55, range 20, W.

4 meridian, near Bruderheim, Alta.

Installation of interlocking plant at crossing of Canadian National Railways by the Canadian Pacific Railway Rosetown-Perdue Branch in section 30, township 35, range 11, W. 3 meridian, near Leney, Sask.

Installation of semi automatic signals and derails at crossing of single track of the London and Port Stanley Railway by the London Street Railway on

Horton street, London, Ont.

Installation of interlocking plant at the joint tracks of the Canadian

National Railways and Canadian Pacific Railway at Belleville, Ont.

Installation of diamond crossing of the Schomberg and Aurora Railway (Toronto Transportation Commission) with the Canadian National Railways at mile 25.5 Newmarket subdivision in lot 10, concession 2, township King, province of Ontario.

Installation of automatic half interlocking signals at crossing of the Canadian Pacific Railway and Winnipeg Street Railway at Logan avenue,

Winnipeg, Man.

Installation of automatic half interlocking signals at crossing of Winnipeg Street Railway and the Canadian Pacific Railway at Selkirk ave., Winnipeg, Man.

Installation of interlocked signals and derails at the crossing of the Canadian National Railways by the Lévis Tramways Company at Gibson's Crossing, Lévis, P.Q.

Installation of interlocking plant at crossing of Canadian Pacific Railway by the Canadian National Railways west of Bathurst Street Junction in city of

Toronto, province of Ontario.

Installation of additional gate at crossing of the Toronto Transportation Commission's Railway by the Canadian Pacific Railway on Front and Spadina avenue, Toronto, Ont.

EXPROPRIATION

Expropriation of land in northwest quarter section 28, township 77, range 19, W. 5 meridian, in the province of Alberta, by the Edmonton, Dunvegan and British Columbia Railway for purpose of extending McLennan terminal yards.

Expropriation of land in city of Hamilton, province of Ontario, being part of lots 19 and 20, concession 3, township of Barton, province of Ontario, by the Toronto, Hamilton and Buffalo Railway for new engine terminal with new buildings, tracks, and facilities in connection therewith, between Main street and Aberdeen avenue, and west of Dundurn street, Hamilton, Ont.

Expropriation of certain lands forming part of lot No. 582-A of official cadastre of parish of St. Roch north in city of Quebec, by the Quebec Railway, Light and Power Company for railway facilities.

Expropriation of lands in parish of St. Jerome, P.Q., by the Canadian Pacific Railway for purpose of constructing an interchange track at Montfort Junction,

P.Q.

Expropriation of lands by the Quebec and Lake St. John Railway for the

purpose of additional terminal facilities at Jonquieres, P.Q.

Expropriation of lands in county of Saint John, parish of Lancaster, province of New Brunswick, by the Canadian Pacific Railway for protection of its right of way against erosion by the sea.

Expropriation of lands in town of Kenora, Ont., by the Canadian Pacific Railway for purpose of enlarged and necessary yard and trackage accommodation

and facilities at Kenora, Ont.

Expropriation of 0.84 acres of land, the property of H. Petlock, Fenwood, Sask., by the Canadian National Railways for the purpose of establishing sight lines at highway crossing.

Expropriation of land at Three Rivers, P.Q., for extension of railway yards

by the Canadian Pacific Railway.

Expropriation of lands in St. Antoine Ward, Montreal, P.Q., by the Canadian Pacific Railway for railway facilities.

TUNNELS

Approval of reconstruction of tunnel at mile 28, Ashcroft subdivision, Cana-

dian National Railways, province of British Columbia.

Approval of construction of two tunnels underneath the tracks of the Canadian Pacific Railway in northeast quarter section 4, township 2, range 7, W. 2 meridian, province of Saskatchewan.

Approval of construction of mine tunnel under the tracks and right of way of the Edmonton, Dunvegan and British Columbia Railway at mileage 11,

province of Alberta.

DRAINAGE

Approval of work to be done on drain known as the Second drain under the tracks of the Canadian National Railways on lots 26 and 27, concession 9, township of Yarmouth, province of Ontario.

Approval of plans and specifications in connection with construction of Black Creek Drainage Improvement Scheme in township of Drummond, county

Lanark, province of Ontario, under the Canadian Pacific Railway.

Approval of work to be done in connection with the Martyn Drain No. 2 under the tracks of the Canadian National Railways on lots 14 and 15 in the 9th concession of township of Yarmouth, N.S.

RAILWAY GRADE CROSSING FUND

Contribution of forty per cent of cost of installing automatic bell and wigway protection at crossing of Park street, Chatham, Ont., by the Pere Marquette Railway.

Contribution of forty per cent of cost of constructing the East York-Leaside bridge and the Canadian Pacific Railway under the tracks of the Canadian National Railways not exceeding sum of \$25,000, to be paid the town of Leaside, Ont.

Contribution of forty per cent of cost of installing cables in guard fence on overhead bridge constructed by Canadian National Railways over the Lachine

road at Rockfield, P.Q.

Contribution of forty per cent of cost of cutting down the bank in northeast angle of crossing between lots 26 and 27, in Half Mile or Indian Strip, township of Arran, county of Bruce, province of Ontario, by the Canadian National Railways, to improve the view.

Contribution of forty per cent of cost of removing obstructions to view at crossing of Canadian National Railways at county road No. 6, lots 15 and 16,

concession 15, township of Mariposa, province of Ontario.

Contribution of forty per cent of cost of installing bell and wigwag at highway crossing over Canadian Pacific Railway at mileage 24.23 west of North Bend. B.C.

Contribution of forty per cent of cost of constructing diversion of the highway at Kanaki Creek near Albion, B.C., Dewdney District, across the Canadian Pacific Railway.

Contribution of forty per cent of cost of removing obstructions to view and establishing sight lines at the crossing of Carling avenue by the Canadian

National Railways in township of Nepean and province of Ontario.

Contribution of forty per cent of the annual expenditure in connection with crossings on Bloor street, Toronto, under the tracks of the Galt Subdivision of the Canadian Pacific Railway, under the tracks of the Brampton Subdivision of the Canadian National Railways, and under the tracks of the Toronto, Grey and Bruce Subdivision of the Canadian Pacific Railway commencing with the year 1924, not exceeding in any one year sum of \$25,000, and forty per cent of the annual expenditure in connection with crossing under tracks of Newmarket Subdivision of Canadian National Railways, commencing with year 1924, not exceeding in any one year the sum of \$25,000.

Contribution of forty per cent of annual expenditure in connection with subway under the tracks of the Galt Subdivision of the Canadian Pacific Railway, under the tracks of the Brampton Subdivision of the Canadian National Railways, and under the tracks of the Toronto, Grey and Bruce Subdivision of the Canadian Pacific Railway, commencing the year 1924, not exceeding \$75,000 in any one year.

Contribution of forty per cent of cost of diversion of original road allowance between lots 25 and 26, concession 4, township of Alice, county of Renfrew, province of Ontario.

Contribution of forty per cent of cost of constructing subway under the Canadian National Railways on the Charlesbourg road, Quebec, P.Q., but not exceeding \$25,000.

Contribution of forty per cent of cost of removing trees, establishing sight lines, and cutting down the bank obstructing the view at the first public crossing

on the Canadian National Railways east of Tilsonburg, Ont.

Contribution of forty per cent of cost of constructing subway under the tracks of the Canadian Pacific at St. Maurice street, Three Rivers, P.Q., but not exceeding \$25,000.

Contribution of forty per cent of cost of installing two automatic bells and wigwags at crossing just west of Rush Lake station, Sask., by the Canadian Pacific Railway.

Contribution of forty per cent of the cost of removing obstruction and establishing sight lines, by the Canadian National Railways at crossing of the nighway known as Mortimer Crossing, one mile north of Harcourt, N.B.

Contribution of forty per cent of cost of diversion of highway from lot 54 to lot 57, concession B, township of Marie, county of Renfrew, Ont., by the

Department of Northern Development of the province of Ontario.

Contribution of forty per cent of cost of installing bell and wigwag protecion at crossing of highway at McLean, Sask., by the Canadian Pacific Railvay.

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Contribution of forty per cent of cost of installing automatic bell and wigwag at first crossing east of Pacome station, in province of Quebec, by the Canadian National Railways.

Contribution of forty per cent of cost of diverting highway at mile 92.2, Grand Mere Subdivision, Canadian National Railways, and closing two existing

crossings in Shawinigan county, province of Quebec.

Contribution of forty per cent of cost of diverting highway through lot 18, concession 6, township of Hungerford, county of Hastings, province of Ontario, by the county of Hastings on the line of the Canadian National Railways.

Contribution of forty per cent of cost of eliminating two grade crossings of the Canadian National Railways by diverting the County road at Bannock-

burn. Ont.

Contribution of forty per cent of the cost of installing wigwag signal in addition to present electric bell at the crossing of Thomas street, Streetsville, Ont., on the Galt Subdivision of the Canadian Pacific Railway.

Contribution of forty per cent of cost of installing bell and wigwag at crossing of Stanley street Niagara Falls, Ont., by the Niagara, St. Catharines

and Toronto Railway.

Contribution of forty per cent of cost of constructing overhead crossing of the Canadian Pacific Railway at mile 29.35 west of Revelstoke, B.C., near Craigellachie, B.C.

Contribution of forty per cent of the cost of constructing an overhead crossing and diverting the public road over the Canadian National Railways at

Leitches creek, in province of Nova Scotia.

Contribution of forty per cent of the cost of installing wigwag signal at the Sixth Line Road Crossing of the Canadian National Railways west of Oakville Station. Ont.

Contribution of forty per cent of cost of installing double bells and wigwags at the crosing of Main street, Woodslee, Ont., by the Michigan Central Railway.

Contribution of forty per cent of cost of installing double bells and wigwags at crossing of Angle Road (No. 2 Provincial Highway) three quarters of a mile west of Ruscombe, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing automatic bell and wigwag protection at crossing of Provincial Highway just west of Myrtle Station, Ont.,

by the Canadian Pacific Railway.

Contribution of forty per cent of cost of improving the view at Aiken's crossing, mile 121.27, Mulgrave Subdivision, Canadian National Railways by cutting away the bank in northwest angle of the crossing.

Contribution of forty per cent of cost of installing double bells and wigwags at road crossing 1.60 mile east of Yarmouth, Ont., by the Michigan Central Rail-

road

Contribution of forty per cent of cost of installing double bells and wigwags at crossing of the Angle Road (No. 2 Provincial Highway) three quarters of a mile west of Ruscomb, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing double bells and wigwags at highway crossing at Brownsville Station, Ont., by the Michigan Central Rail-

Contribution of forty per cent of cost of installing double bells and wigwags at highway crossing at Townsend Station, Ont., by the Michigan Central Rail-

Contribution of forty per cent of cost of installing double bells and wigwags at highway crossing 2.65 miles east of Perry Station, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing double bells and wigwags at crossing of Talbot road, 1.92 miles west of Canfield Junction, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing double bells and wigwags at highway crossing 0.94 miles west of Tillsonburg Station, Ont., by the Michigan

Central Railroad.

Contribution of forty per cent of cost of diverting Provincial Highway on lots 30 and 31, concessions 8 and 9, township of Collingwood, in province of Ontario, by the Department of Public Highways of Ontario so as to eliminate level crossing of the Canadian National Railways.

Contribution of forty per cent of cost of installing double bells and wigwags at crossing of Provincial Highway No. 2, two and a half miles east of Tilbury,

Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of removing obstructions to view at crossing of highway at mile 27.9 Waltham Subdivision, Canadian Pacific Railway.

Contribution of forty per cent of cost of installing double bells and wigwags at the crossing of the Stone Road, 0.13 miles south of the station at Montrosc Junction, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing bell and wigwag at crossing of Winnipeg street, Regina, Sask., between Ninth and Tenth streets, by the Canadian Pacific Railway.

Contribution of forty per cent of the cost of installing automatic bells and wigwags at crossing at Lesperance Road, just west of Tecumseh, Ont., by the

Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at highway crossing by Canadian National Railways at intersection of Yale road and Water street at Hope, B.C.

Contribution of forty per cent of cost of improving the view at highway crossing of Canadian National Railways at mile 19.1 Pleasant Point Subdivision, province of Manitoba.

Contribution of forty per cent of cost of installing double bells and wigwags at crossing of Tecumseh road, township of Maidstone, immediately west of the Puce river, province of Ontario, by the Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of main highway at South Pinafore, near St. Thomas, Ont.,

by the London and Port Stanley Railway.

Contribution of forty per cent of cost constructing diversion of highway in northeast quarter section 30, township 38, range 27, W. 4 meridian, and climination of two grade crossings on the Canadian Pacific Railway by the Department of Public Works of province of Alberta.

Contribution of forty per cent of cost of installing semi-automatic signals and derails at crossing of single track of the London and Port Stanley Railway

by the London Street Railway on Horton street, London, Ont.

Contribution of forty per cent of cost of installing automatic bell and wigvag at crossing of highway immediately north of Rothesay Station, New Brunsvick, by the Canadian National Railways.

Contribution of forty per cent of cost of removing the obstructions to view t first highway crossing west of Courtright Station, Ont., by the Pere Mar-

uette Railway.

Contribution of forty per cent of cost of installing wigwag signals in addition o present bell, at the crossing of Princess avenue, St. Thomas, Ont., by the Michigan Central Railroad. \$4523-43

Contribution of forty per cent of cost of installing automatic bell and wigwag signal at crossing of Main street, Antigonish, Nova Scotia, by the Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag protection at public crossing immediately east of station at Penobaquis,

N.B., by the Canadian National Railways.

Contribution of forty per cent of cost of constructing subway under tracks of Canadian National Railways on Websters Side Road, between lots 26 and 27, township of Saltfleet, county of Wentworth, province of Ontario.

Contribution of forty per cent of the cost of constructing subway at 109th Street, Edmonton. Alta., under the tracks of the Canadian National Railways.

Contribution of forty per cent of cost of installing bells and wigwags at the crossing of the Side road between lots 18 and 19, township of Oneida, county of Haldimand, province of Ontario, immediately west of Dufferin station.

Contribution of forty per cent of cost of installing bells and wigwags

at crossing of Ontario road, 0.6 miles east of Welland, Ontario.

Contribution of forty per cent of cost of installing bells and wigwags at crossing of highway in southeast quarter of lot 20, township of Aldborough, province of Ontario, 0.75 miles east of West Lorne, Ontario.

Contribution of forty per cent of cost of installing bells and wigwags at the crossing of the highway between the townships of Howard and Orford, 2.42

miles west of Highgate, Ont.

Contribution of forty per cent of cost of installing bells and wigwags at the crossing of the Side Road at Villa Nova Station, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing bells and wigwags at crossing of highway 2.36 miles west of Rodney, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of installing bells and wigwags at crossing of highway, 2.73 miles east of Welland, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of the cost of installing bells and wigwags at the crossing of the Communication Road 0.89 miles east of Fargo, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of the cost of installing bells and wigwags at crossing of the Town Line Road 0.50 miles west of Taylor, Ont., by the

Michigan Central Railroad.

Contribution of forty per cent of the cost of installing automatic bell and wigwag at crossing of Drouillard Road, Ford City, Ont., by the Essex Terminal

Railway.

Contribution of forty per cent of cost of constructing diversion of road allowance in Northwest quarter section 2, township 14, range 17, W.3.M. Province of Saskatchewan, and eliminating existing crossing between Secs. 8 and 9 by the Municipality of Webb No. 138.

Contribution of forty per cent of cost of installing double bells and wigwage at crossing of Governor's Road at mile 84:38 Dundas Sub., Canadian Nationa

Contribution of forty per cent of cost of installing automatic bell and wig wag at highway crossing at mile 22.86 Sussex Sub., Canadian National Railway

Contribution of forty per cent of the cost of installing automatic bell and wigwag protection at the crossing of highway at Bayfield Road, N.S., by the Canadian National Railways.

Contribution of forty per cent of the cost of installing automatic bell and wigwag at highway crossing at mile 46.80 Bedford Subdivision at Stewiacke, N.S., by the Canadian National Railways.

Contribution of forty per cent of the cost of installing automatic bell and wigwag at Richards Crossing, Campbellton, N.B., mile 182.85 Bathurst Sub-

division, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at Marysville, N.B., at mile 106.90, Nashwaak Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at Harwood Ridge, N.B., at mile 54.54, Chipman Subdivision, Canadian

National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at Amherst, N.S., at mile 77.16 Springhill Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at Apohaqui, N.B., mile 50·17 Sussex Subdivision, Canadian National Railwavs.

Contribution of forty per cent of cost of installing automatic bell and wigwag at Nauwigewauk, N.B., mile 72.60 Sussex Subdivision, Canadian National

Contribution of forty per cent of cost of installing automatic bell and wigwag at Isle Verte, P.Q., mile 67.36 Rimouski Subdivision, Canadian National

Contribution of forty per cent of cost of installing automatic bell and wigwag at Water St., Chatham, N.B., Mile 7.60 Loggieville Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at Norton, N.B., Mile 56.62 Sussex Subdivision, Canadian National Railwavs.

Contribution of forty per cent of cost of installing automatic bell and wigwag at St. Octave, P.Q., Mile 100.02, Metapedia Subdivision, Canadian National Railways.

Contribution of forty per cent of cost of installing automatic bell and wigwag at St. Moise, P.Q., Mile 83.38 Metapedia Subdivision, Canadian National

Contribution of forty per cent of cost of removing obstructions to view at highway crossing by the Canadian National Railways between lots 10 and 11, concession 3, township of Trafalgar, province of Ontario.

Contribution of forty per cent of cost of constructing pedestrian bridge over

the Canadian National Railways at St. Michel St. La Tuque, P.Q.

Contribution of forty per cent of cost of diverting the Lévis-Sherbrooke Highway in province of Quebec and elimination of two highway crossings of the Canadian National Railways at Somerset North, P.Q., by the Department of Highways of the province of Quebec.

Contribution of forty per cent of the cost of work done by the Department of Public Works of British Columbia at subway crossing of the Yale-Cariboo Road near Lytton, B.C., at Mile 95.32 Thompson Subdivision, Canadian Pacific

Railway.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of Dundas street, Lambton Mills, Ont., by the Canadian National Railways.

Contribution of forty per cent of cost of installing automatic half-interlocking signals at crossing of tracks of the Canadian Pacific Railway by the Winnipeg Electric Company at Selkirk avenue, Winnipeg, Man.

Contribution of forty per cent of installing wigwag signal in addition to present bell at highway crossing at mile 58.9 Galt Subdivision, Canadian Pacific Railway.

Contribution of forty per cent of cost of diverting Cariboo road, and to close level highway crossings at mile 76.18 and 77.43 Kamloops Subdivision,

Canadian Pacific Railway.

Contribution of forty per cent of cost of installing wigwag in addition to existing bell at crossing at Eagle avenue, Weston, Ont., by the Canadian Pacific Railway and Canadian National Railways.

Contribution of forty per cent of cost of constructing overhead highway crossing of Canadian National Railways on surveyed road in northwest quarter section 19, township 4, range 25, W. 2 meridian, province of Saskatchewan.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of Tilbury street, Tilbury, Ont., by the Michigan Central Rail-

road.

Contribution of forty per cent of cost of installing automatic bell and wigwag at crossing of Queen street, Tilbury, Ont., by the Michigan Central Railroad.

Contribution of forty per cent of cost of diverting the Levis-Rimouski highway and eliminating of two level highway crossings of the Canadian National Railways in parish of Ste. Cecile du Bie, county of Rimouski, province of Quebec.

Contribution of forty per cent of cost of installing wigwag signal in addition to existing electric bell at crossing of Park street, Chatham, Ont., by the

Canadian National Railways.

Contribution of forty per cent of cost of closing crossing over the Canadian Pacific Railway at mile 26.1 west of Kamloops, B.C., and converting same into

a private crossing with gates in right of way fence.

Contribution of forty per cent of cost of diverting highway between lots 163 and 164 in St. Constant concession, parish of St. Marguerite de Blairfindie, county of St. John's, province of Quebec, at mile 23.46, Adirondack Subdivision, Canadian Pacific Railway.

HIGHWAY CROSSINGS AND DIVERSIONS

In connection with the approval of location plans, a large number of highway crossing and highway diversion plans were approved. In all nine hundred and fifty-six highway crossings and one hundred and twenty-four highway diversions were approved, also railways were authorized to cross unopened road allowances at one hundred and sixty-eight points:—

	Highway	Crossings	Highway
	Level	Overhead	Diversion
British Columbia. Alberta. Saskatchewan. Manitoba. Ontario. Quebec. Maritime Provinces.	52 344 416 14 94 33 3	3 1 1 0 8 3 1	2 46 63 4 7 3

INDUSTRIAL SPURS

Authority was granted for the construction of two hundred and twenty spurs, varying in length from a few hundred feet to six miles, as follows:-

British ColumbiaAlberta	0.1
Alberta	31
Saskatchewan	44
Manitoba	27
Ontario	_ 3
Ontario	70
Quebec. Maritime Provinces.	31
2 10 v mccs	

BRIDGES

Authority was granted for the construction or reconstruction of fifty-nine bridges, inspections made and authority granted for the use of same.

TELEPHONE AGREEMENTS

The Board's Electrical Engineer has checked over and passed upon one hundred and two telephone agreements, covering connections between rural telephone companies and the Bell Telephone Company.

MISCELLANEOUS

One hundred and two crossings of railways by power transmission lines were passed upon by the Board's Electrical Engineer.

Thirty-two cases of reduced clearances of structures at railway sidings

were passed upon by the Board's engineers.

Exemption from the erection of fences, gates and cattle guards has been granted in a number of cases.

Approval of underground ducts for wires and cables for telegraph purposes under certain streets in the city of Toronto.

Approval of Standard Specifications for Steel Railway Bridges as issued by

the Canadian Engineering Standards Association.

In addition to the above many other matters have been dealt with by the Board's engineers, such as the inspection of railways out of repair, investigation of accidents, removal of speed limitations, removal of industrial spurs, signal protection at lift bridges, approval of docks and ferry slips, speed restriction of trains through junctions, farm crossing complaints, wire crossings, inductive interference, etc.

APPENDIX "C"

REPORT OF THE CHIEF OPERATING OFFICER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1928

February 25, 1929.

A. D. Cartwright, Esq., Secretary, Board of Railway Commissioners, Building.

Dear Sir:—In compliance with section 31 of the Railway Act of 1919, the annual report of the Chief Operating Officer covering the work of the Operating Department of the Board during the fiscal year ending December 31, 1928, is respectfully submitted in quadruplicate.

REPORTING AND INVESTIGATING ACCIDENTS ATTENDED BY PERSONAL INJURY OR LOSS OF LIFE

Three thousand and thirteen accidents were reported during the year to the Board by the various railway companies subject to its jurisdiction, involving 3,638 casualties, of which number 445 persons were killed and 3,193 persons injured. See statements Nos. 1, 3 and 4, for particulars.

The comparative statements Nos. 2, 5 and 6, herewith of killed and injured

show an increase of 92 persons killed and an increase of 102 injured.

Of the total 3,013 accidents so reported, 1,433 were investigated, covering 308 persons killed and 1,723 persons injured. Detailed statements Nos. 7, 8, 9 and 10 cover the investigations with respect to collisions, derailments, accidents at highway crossings, and accidents to employees while working on or under engines. These four statements show a total of 530 investigations, covering 186 persons killed and 800 persons injured. The remainder, 903 investigations, cover 122 persons killed and 923 injured, and are spread over accidents covered by the various headings referred to in statements Nos. 3, 4 and 5.

It will be observed that out of a total of 3,013 accidents involving 3,638 casualties during the fiscal year, there were 127 trespassers killed and 139 injured. In this connection reference is made to Statement No. 16, showing by railways

and provinces the number of killed and injured.

The matter of highway crossing accidents, protection provided, etc., is dealt with by detailed statements Nos. 3, 4, 5, 9, 11, 12, 13, 14 and 15.

INSPECTION OF SAFETY APPLIANCES AND CAR EQUIPMENT

The work coming within this category is largely carried on under the provisions of section 298 of the Railway Act and General Order No. 102; a reprint of the latter having been made during the fiscal year ending December 31, 1923, embodying all the amendments to date. The work performed by the Department in this connection will be found in detail statements Nos. 19, 20, 21-A and 21-B. The inspection of 75,989 cars, it will be readily understood, entails considerable time and labour, both on the ground and in the office at headquarters, where the work of recording, checking and filing of the numerous reports carried on, and subsequent correspondence with the railway companies, with a view to having the defects, so reported, remedied as promptly as possible.

The inspection of 75,989 cars above referred to revealed 3,822 defective ears

(5.2 per cent) with defects totalling 4,313.

INSPECTION OF MOTIVE POWER

This division of the work is carried on under sections 298, 299, 300 and 301 of the Act, and the Board's General Orders Nos. 12, 31, 66, 78, 102, 131, 199, 226, 289, 293, 362, 385, 389, 394, 402, 403, 404, 415, 423, 424, 428, 434 and 438. A total of 10,884 locomotives were inspected during the fiscal year, the total number of defective engines being 400 (3 per cent), with defects numbering 475. For details see statement No. 22.

Under General Order No. 78, the so-called "Locomotive Boiler Inspection Order," 66,564 report forms of monthly and annual inspections, tests, etc., were filed with the Department during the year. These reports cover 5,611 locomotives.

STATIONARY BOILERS

Pursuant to General Order No. 330, the so-called "Stationary Boiler Inspection Order," 4,956 report forms of semi-annual and annual inspections were filed during the year covering 2,177 stationary boilers. The checking and recording of the above mentioned locomotive and stationary boiler reports, together with the necessary correspondence in connection therewith, naturally creates an extensive line of work.

INSPECTION OF PASSENGER EQUIPMENT, STATION BUILDINGS AND PREMISES

This work comprises features of safety, cleanliness, accommodation, etc. A large number of matters have been brought to the attention of the proper officials with beneficial results.

APPLICATIONS AND COMPLAINTS RE TRAIN AND STATION SERVICE, HIGHWAY CROSSING PROTECTION, STATION LOCATIONS, CAR SUPPLY, ETC.

The work under this heading covers a wide range of subjects and entails, in many instances, a considerable amount of inquiry and research. During the year complaints and applications numbering 1,240 were inquired into and reported upon.

In conclusion it might be stated that in order to accomplish the work briefly outlined in the foregoing it has necessitated the travelling of 336,648 miles by the staff of this department.

No. 1.—Statement showing number of passengers, employees and others killed and injured on railways under the Board's jurisdiction, for year ending December 31, 1928.

4.73.11	Passe	ngers	Empl	oyees	Oth	iers	То	tal
Name of Railway	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Canadian National	7	4	2	4	1	365 282 13 3 3 3 4 8 1 4 2	211 180 18 2 2 2 3 1 3	1,872 1,159 48 11 39 93 12 8
Columbia. Midland Railway of Manitoba. Canadian National Electric. Brantford & Hamilton Electric. London & Port Stanley. Thousand Islands. Quebec Railway, Light & Power.	1	2			8 1 1 1 1	3 6	1 8 8 1 1 1 1	4
Windsor, Essex & Lake Shore. British Columbia Electric		2	1	3 1	1 1 1 1	2 4 1 3	1 1 1 1 1 1 1 1 2	
Essex Terminal	18	301	109	2,171	318	721	3	3,19

No. 2.—Comparative Statement of killed and injured between year ending December 31, 1927, and year ending December 31, 1928.

	Passe	engers	Empl	oyees	Oth	ers	То	tal
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
1927 1928	13 18	382 301	101 109	2,051 2,171	239 318	658 721	353 445	3,091 3,193
Increase	5		8	120	79	63	92	102
Decrease		81						

No. 3.—Statement showing separately the number of passengers, employees and others, killed and injured, and the nature of the accidents, for the year ending December 31, 1928.

year ending Decemb			1					
Character of Accidents		engers	Emp	loyees	0	thers	Te	otal
	Killed	Injured	Killed	Injured	Killed	Injured	l Killed	Injured
Derailment. Collision, head-on Collision, rear-end Collision in yard	1	46 24 20 18	2 2	88 40 26 37	1		. 5	151 64 46 59
by gates					. 1			6
Public highway crossing protected by bell. Public highway crossing protected				1	22	34		35
by watchman					. 6	9	6	9
Public highway crossing unprotected Private crossing.		1		9	143	416 25	144	425 26
Trespassing. Working on or under engine.		ł	1	194		139	127	139 194
Miscellaneous. Adjusting couplers, coupling and uncoupling.			4	500	1	29	5	637
Run down by engine or car between stations.				108			6	108
Falling off hand-car, motor or velocipede.			1	194			7	7
Hand-car, motor, velocipede, struck by train			1	36			10	196
lers			İ	7				36
couplers between			9	3			2	4
Struck by car standing foul	• • • • • • •	• • • • • • • •		3				3
Crushed between cars, building				25				25
lumber pile, platform, etc Explosion of locomotive boiler Falling off passenger train			3	21			1 3	21 3
railing on tender while handling				2	1		7	6
Falling off tender while taking water			1	$\frac{2}{2}$				2
Sideswipe. Riding on pilot or footboard of			2	12		1	$\begin{bmatrix} 1 \\ 2 \end{bmatrix}$	2 13
Overhead obstruction	1		3	73 10			3	75 10
Falling between cars		1	5	45 13			5	45 13
Application of air brake. Jumping off train in motion. Attempt to board train in motion.		20 45	1 1	191 85	1	8 6	1 7	219 136
washout	1	14 2	2	75 3	1	1	2 2	90 5
Bridge gave way, or destroyed by fire.			1	12			1	12
Run down by engine or car at station or in yards.	2		20	74		10	22	84
Caught in frog, guard-rail, or switch rod Caught by engine or car while				1				1
throwing switch				2				2
Falling off car while working hand			6	49		1	6	50
Asphyxiated in tunnel			3	93		2	3	$\frac{95}{1}$
Loading and unloading O.C.S.								21
Staking or poling cars				56	1	2	1	58 1
Cars moved while being loaded or unloaded. Carmen working on or under cars		1		16		5		21
Chaining and unchaining cars]	3	4 2			3	4 2
Coupling and uncoupling hose. Turning angle cock.			1 1	14			1 1	14 10
	18	301	109	2,171	318	721	445	3,193
								-

No. 4.—STATEMENT showing character of accidents and number of persons killed and injured on railways under the jurisdiction of the Board, for year ending December 31, 1928.

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	C.N.R.	E.	C.P.R		M.C.R		K.B.	ZO	N.S.T. C. & T.	K.V.R.	.R.	& H.B.		N.Y.C.		Q.C.R.	C.V.R.	H.	& L.E.	:: 1
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Collison, head-on.		7 7 1	- T	200		: :		: :						:		:	:	:	:	:
Collison, rear-end.	70 	41	2	15	: :	-	: :	: :	: :				: :	: :		: :				: :
Public highway crossing protected by gates.	9	12 24	7 =	#	ं च्ल	: :	: :	: :	: :	::	: :	::		: :		: :	: :	: :	: :	: :
32.5	200	206	- 83	163	10 cc	:1-			. 5.5	: :	: :	: :	21		24	.9		-		: 7
Private crossing	909	17	20 17	69	. 673	-		: -		H			-		-	. 27	: :	: :	: :	: :
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Miscellaneous	रा न	376	6	36	:	×	:			-	\u			: :			: :			-
Adjusting couplers, coupling and uncoupling	r 60	22	1 00	20	-	: <u>:</u>			:		: 5	:	:	:	:	:	:	:	:	:
Falling off hand-car, motor or velocipede		142		16		- i		: :	: :	: :	• :	: :		: :		: :	: :			
('rawling between cars, over couplers	, :	9		- 0	:	:	-:-	:	:	:	:	:	<u>:</u> .	:	:	:	:	-	:	:
Passing between cars between couplers	:	010	21	71	:	-	:	: :	: :					: :	: :		: :		: :	
rane		17		7										:	:		:	:	:	:
forms, etc.	1	11	: 0	10	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Explosion of locomotive boiler		-6	300	23 4		:			: :		: :			: :	: :			: :		
Falling off tender while handling coal.	H :	· ·	1	+						:	:		:	:	:		:	:	:	:
Falling off tender while taking water	2	10	7	~ 63	: :	-	: :	: :	: :	: :	: :	: :	: :	: :	: :		: :			
Riding on pilot or footboard of engine.	160	20		35.		:	:	:	1	-	:				: :					
Overhead obstruction. Falling off top of car.	:00	24	:03	20	: :									:	:		:			:
Falling between cars	:	144	-	00 2 <u>5</u>	:	. 4		. 27		: :			: :	: :	: :	: :	::			: :
Application of air Drake. Junping off train in motion.	· m	65	4 00	65		100			:		:	-	:	:	:	-	:	:	:	:
Attempt to board train in motion		09		23	:	-	:						: :	: :	: :		: :	. :	: :	: :
	3 o	25		.86		- 00					:	-	: :			: :	:	:		: :
Caught in frog, guard rail, or switch rod	:	3	:		:	:	:	:	:	<u>:</u>	:	:	:	:	:	-		:		:
Caught by engine or car while throwing switch				4																

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Falling off side and end ladders of ears	Falling off car while working hand brake	Asphyxiated in tunnel.	Handling freight and baggage	Loading and unloading O.C.S. material	Staking or polling cars.	Cars moved while being loaded or unloaded	('arman working on or under cars on running track	when moved	Chaining and unchaining cars	Coupling and uncoupling hose.	Turning angle cock			

No. 4.—Statement showing character of accidents and number of persons killed and injured on railways under the jurisdiction of the Board, for year ending December 31, 1928—(Continued)

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B.C	K.	
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	1	ollision, bead-on ollision, read-on ollision, read-on ollision, read-ond ollision, read-ond bublic highway crossing protected by gates. Public highway crossing protected by watchman. Public highway crossing protected by watchman. Public highway crossing unprotected bushing bushing unprotected by watchman. Public highway crossing unprotected bushing bushing unprotected by watchman. Frespasing Frespasing Working on or under engine Working on or under engine Working on or under engine Working on or under engine Working on or under engine Flailing of hand-car, notor or velocipede. Frand-car, motor or tanner Falling off tender while handling coal. Fralling off tender while handling water Falling
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No. 4.—Statement showing character of accidents and number of persons killed and injured on railways under the jurisdiction of the Board, for year ending December 31, 1928—(Concluded)

	D.A.R.		P.M.R.	4.Q.		N.R.&		M. &	7.	N.J.R.	V.V & E	E :	E.T.R.	%. S.	- T.	Total
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Collison, head-on.							-	-	:						: .	a 20
Collison, rear-end		: :	: :			. :			:			- :	:	:	21	00 -
Public highway crossing protected by gates	: :	· · ·				: :		: :	: :		: :		: :			222
25.5			-#	:-			: :		: .	: :	: :		. 1	.01	.00	144
Private crossing	:							:	:	:	:	:		. :	: :	127
Trespassing	: :		: :		: :		- :	: :					:	:	40	1C
Miscellaneous			-	:	:	:	:	:				:		: :	1	9
Run down by engine or car between stations	: :		: :		: :	: :	: :	: :	: :	: :	:			- :	-	1-1
60	:	-	-	:		:	:	: 				: :	: :	: :	4	13
Hand-car, motor, velocipede, struck by train.	: '										:		:	:		
Passing between cars between couplers.	:			-	:	:	:-	:	:				: :		: :	1
Struck by car standing foul			: :				: :							:	_	:
Crushed between cars, buildings, lumber pile, platforms, etc.			-	:	:	:	:	:	:	:	:	:			: :	- co
Explosion of locomotive boiler.			: :	: :	: :		: :							:	:	1-
Falling off tender while handling coal	:	:		:	:	:	:	:	-	:	:	:	: :			:
Falling off tender while taking water				: :					: :				:		:	C1 24
Riding on pilot or footboard of engine			:	:	:	:	:	:	:	:		:				9 :
Overhead obstruction		: :			: :		: :	: :	. :		: :				:	, rc
Falling between cars.	:	:	:	:	:	:	-	:	:	:		: =				
Application of air brakes.		: :			: :	. :								:		100
Attempt to board train in motion	:	-		-	:	:	:	:			: :	: .	: :			101
Washout Bridge gave way, or destroyed by fire		: :	1 1	: :	: :		: :				:	:	-	-	-	99
Run down by engine or car at station or in yard	:	:	:			:		: :	: :			: :		:		:
Caught in irog, guard rail, or switch tour	:				:	:	:	:	:	:	:		:	:	:	:

Handling freight and baggage. Loading and unloading O.C.S. material Staking or poling ears. Staking or poling ears. Carman working on or under ears on running track when moved. Chaining and unchaning ears. Turning angle cock.	
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1	arman working on or under cars on running track when moved.
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No. 5.—Comparative Statement in totals of killed and injured by class of accident, between year ending December 31, 1927, and year ending December 31, 1928.

	1927		1928		Increase		Decrease	
	K.	I.	K.	I.	K.	I.	K.	I.
Derailment. Collision, head-on. Collision, rear-end. Collision in yard. Collision with cars standing foul. Collision with cars account open switch. Collision at level diamond crossing. Public highway crossing protected by gates. Public highway crossing protected by bell. Public highway crossing protected by watchman. Public highway crossing unprotected.	15 12 4 4 16	118 129 21 49 2 2 19 13 45 21 346 28	12 5 3 3 3 1 22 6 144 9	151 . 64 .	3 6 6 6 6 5	33 25 10 	3 7 1	2 2 2 199 7 100 122 2 2
Private crossing. Trespassing. Working on or under engine. Miscellaneous. Adjusting couplers, coupling and uncoupling. Run down by engine or car between stations. Falling off hand-car, motor or velocipede. Hand-car, motor or velocipede, struck by train. Crawling between cars over coupler. Passing between cars between couplers. Struck by car standing foul. Struck by switch stand, water spout, mail crane etc. Crushed between cars, buildings, lumber pile, plat form, etc. Explosion of locomotive boiler. Falling off tender while handling coal. Falling off tender while taking water. Sideswipe. Riding on pilot or footboard of engine. Overhead obstruction. Falling between cars. Application of in brake	2 2 1 3 3 4 4 4	131 203 670 93 11 219 37 3 2 27 10 13 22 22 3 6 6 6 6 6 7	127 15 66 77 13 2 3 7 81 13 23 7 73 81 23 73 83 73 83 83 83 9 .	139 194 637 108 7 196 36 36 25 21 3 6 6 22 13 75 10 45 13 219 136	1 2 4 4 1 1 1 2 2 1 1 1 1 1 1 1 1 1 1 1	65	2	333
Jumping off train in motion. Attempt to board train in motion. Attempt to board train in motion. Washout. Bridge give way, or destroyed by fire. Run down by engine or cars at station or in yard. Caught in frog, guard-rail, or switch rod. Caught by engine or car while throwing switch. Falling off side and end ladders of car. Falling off car while working hand brake. Asphyxiated in tunnel. Handling freight and baggage. Loading and unloading O.C.S. material. Staking or poling car. Cars moved while being loaded or unloaded. Carmen working on or under cars on running trace when moved. Chaining and unchaining cars. Coupling and uncoupling hose. Turning angle cock.	3 3 23	6 1 1 8 8 8 9 9 4 4 1 1 1 2 2 1 1 1 2 2 1 1 1 1 2 2 1 1 1 1 1 1 2 1	4 2 2 2 2 2 2 2 2 2 2 2 3 3 3 3 3 1	136 90 5 5 12 84 1 2 50 95 5 1 21 58 1 21 21		1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1	3 2 2 2 1 1 1 1 1 2 2 1 1 1 1 1 1	2 1 2 1 2 1 1 1 2 1 1 1 2 1 1 1 2 1

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1007	353	3,091
1927	445	3.193
1928	00	109
Increase	92	102

No. 6.—Comparative Statement in totals of killed and injured between the year ending December 31, 1927, and the year ending December 31, 1928.

						1 01,	1020	•
Railway	19	927	19	928	Inc	rease	Dec	rease
	K.	I.	K.	I.	K.	I.	K.	I.
Canadian National. Canadian Pacific. Michigan Central. Toronto, Hamilton & Buffalo Niagara, St. Catharines & Toronto. Kettle Valley. Algoma Central & Hudson Bay New York Central Quebec Central. Central Vermont. Lake Erie & Northern Grand River. Edmonton, Dunvegan & British Columbia. Midland Railway of Manitoba. Canadian National Electric. Brantford & Hamilton Electric London & Port Stanley. Thousand Islands. Quebec Railway, Light & Power Great Northern. Windsor, Essex & Lake Shore British Columbia Electric. Algoma Eastern. Dominion Atlantic. Pere Marquette. Atlantic, Quebec & Western. Esquimalt & Nanaimo. Montreal & Southern Counties. Napierville Junction. Vancouver, Victoria & Eastern. Essex Terminal.	165 148 12 3 1 1 1 1 1 1 2 2 2 2	1,763 1,114	2111 1800 18 22 22 33 11 33	1,872 1,159 48 11 3 9 3 3 12 8 1 1 5 2 2 3 3 8 8 7 5 5	88 11 11 11 11	109	K.	I.
Quebec, Montreal & Southern. Quebec Oriental. Lake Louise Tramline. Fredericton & Grand Lake Coal & Railway. Hamilton Radial Electric. Oshawa Railway Company.		12 2 2 2 1 4 2	3	18	2 2	6	2	2 2 2 1 4
	353	3,091	445	3,193	106	178	14	76

1927	•••••	K. I. 353 3,091
1020,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		445 2 102
Decrease		92 102

No. 7.—Statement showing collisions attended by personal injury, investigated during the year ending December 31, 1928.

Inv. File	Date	Railway	Place	Kil- led	In-
7 116					
19418	Dec. 3	C.N.R			1
19422	Dec 8	C.P.R	Minnedosa, Man	9	2
19467	Dec. 13	C.N.R.	Mannedosa, Man. Sarnia, Ont Jonquire Subdivision, Mileage 218.5, Que		1
19472 19487		C.P.R.	Winnipeg, Man		3
19488	Dec. 17	C.P.R	Winnipeg, Man. Jansen, Sask.		4 2 1 3 2 1 3 2
19490	Jan. 3	C NEB 1	Taggert Ont		3
19502		C.N.R	Summit, N.B		2
19508 19506	Dec. 7	C.N.R	Smiths Fails, Officers of the Community		1
19522	Dec. 4	C.N.R	Ste. Hyacinthe, Que		1 1
19549	2000	C.P.R	Field, B.C	1	
19552 19561		C.N.R	Prince George, B.C		2
19570	Dec. 28.				1
19615					1
19625	Nov. 27 Feb. 8	C.N.R C.N.R	Walnwright, Alta		1
19629 19639	Dec. 26.	C.N.R.	Lashburn, Alta. Wainwright, Alta. Toronto, Ont Val Royal, Que Winnipeg, Man. Tilly, Que La Suette, Que Waltham, Que Waltham, Que Winder Ont		20
19690	Feb. 26	C.P.R	Winnipeg, Man		1 2
19691	Feb. 9	C.N.R	Tilly, Que		2 2 4
19701 19721	Feb. 20 Feb. 21	C.N.R C.P.R	Waltham, Que		4
19721	Dec. 30.	C.N.R	Prince George, B.C		2
19772	Mar. 21	M.C.R	Windsor, Ont		1
19798	Mar. 14	C.P.R	Pincher, Alta		1
19802 19812		C.P.R	Revelstoke, B.C		1
19814		C.N.R	Acton, Ont		4 2
19819	Mar. 26	C.N.R	Canyon, Ont		2
19824		C.N.R	Prince George, B.C. Windsor, Ont. Pincher, Alta. Yale, B.C. Revelstoke, B.C. Acton, Ont. Canyon, Ont. North Edmonton, Alta. Montmorency, Que. Pine Falls, Man		1 4 3 2 7 2
19847 19870		C.N.R.	Montmorency, Que Pine Falls, Man. Winnipeg, Man Strathroy, Ont. Coteau, Que		2
19878	Mar. 20.	C.N.R	Winnipeg, Man		1
19931	April 20	C.N.R	Strathroy, Unt		1
19940 1994:		C.P.R	Shuswap, B.C Thompson Subdivision, Mileage 31.5, B.C		1
1994	April 13.	C.P.R	Thompson Subdivision, Mileage 31.5, B.C		12
1998	May 15	C.N.R	Transcona, Man. Delacour, Alta. Richmond Hill, Ont.	i	
1999		C.N.R	Dishward Hill Ont		3
$\frac{2007}{2015}$		C.N.R	Caldall P C		1 3
2037	July 30.	C.P.R	Piapot, Sask	2	5
2028	5 July 25.	C.P.R C.P.R	Moose Jaw Sask		1
2030 2036		C.N.R	Sand Point, Ont. Moose Jaw, Sask. Munson, Alta. St. Luc Junction, Que		2 8
2041	5 Aug. 30.	C.P.R	St. Luc Junction, Que	1	1
2046		C.N.R	Kamsack, Sask		1 1 5
$\frac{2046}{2047}$		C.N.R.	Allandale, Ont		5
2047	5 Aug. 14.	C.P.R	Justice, Man. Allandale, Ont. Schreiber, Ont Dunmore Siding, N.S.		9
2051	4 Sept. 11.	. C.N.R	Dunmore Siding, N.S		2
2052		. C.N.R	Limerick, N.D		2 1
2053 2053		C.N.R.	Strevel, Man. Keewatin, Ont. Matapedia Subdivision, Mileage 24, Que. Bathurst Subdivision, Mileage 162, N.B.		1
2054	2 Oct. 3	. C.P.R	Keewatin, Ont.	1	8
2055		. C.N.R	Rethurst Subdivision, Mileage 162, N.B.	. 1	2
2055 2059		C.P.R.	Fort William, Ont. Danforth, Ont.		
2064	2 Sont 20	. C.N.R	Danforth, Ont		1
2066	6 Oct. 19.	Q.M. & S	Sorel, Que		1
2067	6 Oct. 15.	. C.N.R			. 1
2078 2079	18 Nov 97	C.N.R.	Nokomis, Sask Kenora, Ont		1
2080	Nov. 30.	. C.P.R	. Kenora, Ont		
				10	154
	1		1		

No. 8.—Statement showing derailments attended by personal injury, investigated during the year ending December 31, 1928.

Inv. File	Date	Railway	Place	Kil- led	I ₁
19430	Dec. 3.	C.N.R	Oba Subdivision, Mileage 93, Ontario		
19493	Dec. 24.				
19503 19505	Dec. 20.	. C.N.R			
19533	Jan. 17. Jan. 26.		Coutts Subdivision, Mileage 38.5, Alta		
19537	Jan. 3.		Coutts Subdivision, Mileage 38·5, Alta. Hodgeville, Sask Bayfield Road, N.S.		
19550	Dec. 5.	CNR	Trochy Alto		
19556	Jan. 9.	C.P.R.			
19564 19595	Jan. 2. Jan. 30.		Middlemiss, I mile west. Ont.		
19625	Jan. 5.				
19643	Jan. 25.	. C.N.R			
19676	Feb. 21.	. C.P.R			
19703	Feb. 20.	. C.N.R			
19708 19716	Feb. 19.	C.N.R. C.N.R.	Diulo, bask		
19719	Mar. 1.	C.N.R.		1	
19837	April 14.	CNR	Bradford, Ont.		
19860	April 23.	M.C.R	Corey, Ont. Bolingbroke Station, 1-8 miles east, Ont. Manager Subdivision, Mileser 16, One.	1	
19881	April 29 April 13	. C.P.R	Bolingbroke Station, 1.8 miles east, Ont	3	
19900	April 13.				
9933	Feb. 25	C.N.R	Peterboro, Quaker Oats Siding, Ont. Mortimore Siding, N.B.		
9938	May 7	C.N.R			
9960	May 28.				
0035	June 2 June 19) O a L a L b a a a a a a	m valic plation, the	4	
0037	May 19.				
0114	May 10	C.N.R	Kinley, Sask. Saseenos, B.C. Toronto, Yong St. Oct		
0137	July 2				
0182 0236	July 21 June 30	CottoThososos	1 Ort Dover, Ont.	1	
0240	July 26.				
0264	July 27	C.N.R.	Paynes, Ont. Zumbro, Sask.		
0293	Aug. 6	C.N.R.	London, Ont. Centreville Subdivision, Mileage 35-4, N.B.	1	
0302	July 25.	C.N.R	Centreville Subdivision, Mileage 35.4, N.B.		
0331	Aug. 10 July 28				
0360	Sept. 5.	C.N.R.	Vaneby, B.C. Horburg, Alta.		
0361	Sept. 6.	U.I .Ib	Conception of the Conception o		
0369	Aug. 3.				
)412	July 25 July 12	C.N.R. C.N.R.	Heenan, Alta. Oskelaneo Subdivision, Mileage 75, Que		
0849	July 8.	C.N.R.	Alexa Lake B C		
0500	Oct. 1	N.J.R.	Napierville Stn., 4 miles north Que		
)532)552	Sept. 13				
564	Oct. 3 Oct. 19	C.IN. IV	raswegin, bask		
582		C.IV. IL	Gorge, B.C. Beaconsfield, Que		
586	Oct. 3.	C.N.R	Chzapeth, Unt		
591 596	Oct. 8	U.14. R k	Saniord, Man	1 1	
673	Oct. 26.	C.P.R. J	Broadview, Sask lonquiere Subdivision, Mileage 135, Que		
679	Sept. 22.				
714	Nov. 4	C.N.R.	West Junction, Alta.		
806	Oct. 15.	C.N.R. I	t. Bazile, Que.		
807 809	Oct. 25				
003	TAOA. 10.	C.P.R			
					-

No. 9.—Statement showing highway crossing accidents attended by personal injury, investigated during the year ending December 31, 1928.

Remarks	Dble, r.a. urban; adg. Dble, r.a. urban; carelessness. Dble, r.a. urban; carelessness. Dble, r.a. urban bldgs; adg. Sgle; r.a. urban bldgs; adg. Sgle; r.a. urban bldgs. carelessness. Sgle; r.a. urban bldgs.; sarelessness. Sgle; r.a. urban sldgs.; sarelessness. Sgle; r.a. urban sldgs.; sarelessness.
Class of accident	Truck Pedes. Wagon Auto. Auto. Auto. Auto. Auto. Auto. Auto. Sleigh. Truck Auto. Pedes. Sleigh. Truck Auto. Pedes. Auto. Auto. Pedes. Auto.
Protection	COMP. COMP.
i	
X.	
Place	Toronto, Ontario, Victoria Park Avenue. Two. Etobicoke, Ontario, Kipling Avenue. Woodman, Man., 4th Crossing East Woodman, Man., 4th Crossing East Fr. William, Ont., Arlun Street. London East, Ont., Blart Breet. Streetsville, Ont., Dana Street. Streetsville, Ont., Black Horse Road Kingston, Ont., Black Horse Road Kingston, Ont., Black Horse Road Marwa Station, Ont., Ist Crossing West Ricthers Ont., Strange Street. Kitchens, Ont., Strange Street. Alisa Craig, Ont., Main Street Kitchens, Ont., Strange Street Avonlea, Sask., 4 mile east St. Jean Chrysostone Stn., P.Q., 1st Crossing Fast Avonlea, Sask., 4 mile east Montreal, P.Q., St. Ferdinand Street Kitcher, Ont., Strange Street Norwood Station, Ont., Two Crossing Insile East Norwood Station, Ont., Two Crossing Insile East Norwood Station, Ont., Two Crossing Insile East Montreal, P.Q., St. Ferdinand Street Lakeshore, Ont., Howard Avenue Chemainus, B.C., Imile South Ottawa, Ont., Parkdale Avenue Regins, Sask., 6th Avenue Prentiss. Alta, Crossing South Ningara-on-Lake, Chrossing South Ningara-on-Lake, Ont., Delmar Road Cladenica Park, Ont., Delmar Road Kingsing Ont., Crossing Amile End, P.Q., St. Hubert St. Crossing Sinkston, Bask., 3nd Street Crossing Elgin Station, Ont., East Street Crossing Siskstoon, Bask., 3nd Street Crossing Siskstoon, Bask., 3nd Street Crossing Siskstoon, Bask., 3nd Street Crossing Siskstoon, Bask., 3nd Street Crossing Siskstoon, Bask., 3nd Street Crossing Siskstoon, Sask, 3nd Street Tillsonburg, Ont., Gask., Grossing Siskstoon, Sask, 3nd Street Tillsonburg, Ont., Sask., 3cossing
Railway	HERERGRAND COCCOCCOCCOCCOCCOCCOCCOCCOCCOCCOCCOCCOC
Time	11.55 9 1 1 1 1 5 5 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9
Date	NNOV. 28 NNOV. 28 NOV. 28 NOV. 29 NOV. 28 NOV. 28 N
Board	26765-152 26765-101 267711-229 287711-229 28771-226 4437-236 4437-236 4437-236 2672-210 2672-210 2672-210 2672-210 2672-210 2672-210 2672-210 2672-210 2672-10 2672-64 2677-10 27467-64 2876-32 2677-64 2677-123 2677-67 27467-69 2876-32 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 2671-23 2677-67 277-77
Inv. File	19412 2 19412 1 19412 1 19413 4 1 19413 4 1 19413 4 1 19438 4 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19438 1 19538

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Pedes. Pedes. Podes. Podes. Podes. Auto. Ox sled. Nagon Auto. Sleigh Auto. Sleigh Auto. Sleigh Auto.
Bell Copp. C
Theumseh, Ont., Lesparence Road Brantford, Ont., West Street Dranslo Station, Ont., Crossing ust south Oil City, Ont., Station Lane Crossing Cluelph, Ont., Kitchener Road Lower East Pubnico, N.S., Morrissey's Crossing, Jamile East. Shediac, N.B., Main Street Crossing Sirring, Ont., Campbelliord Road Hamilton, Ont., Jackson Street. Samelia, Que., Crossing ust East of London, Ont., Mailtand Street. Samelia, Que., Alexander St. Smellie, Que., Crossing ust East of London, Ont., Mailtand Street. Sherbrooke, Que., Alexander St. St. John, Que., Jacques Cartier Street. St. Cohn., Que., Alexander St. St. Long Station, Que., Alexander St. St. Longwood Stn. Ont., Mail., Pressant Road Cochrane, Alberta, 1st Crossing East of Stn. London, Ont., Mt. Pleasant Road Cochrane, Alberta, 1st Crossing East of Stn. London, Ont., Mt. Pleasant Road Cochrane, Alberta, 1st Crossing East of Str. London, Ont., Mt. Pleasant Road Cochrane, Alberta, 1st Crossing East of Str. Charter, Man., Crossing East of Crossing Cuelph, Ont., Mn. Pleasant Road Clatelph, Ont., Mn. Pleasant Road Clatelph, Ont., Mn. Pleasant Road Clatelph, Ont., Mn. Pleasant Street Crossing Cteeph, Ont., Park Street Crossing Cteeph, Ont., Park Street Crossing Cteeph, Ont., Nougal Street Crossing Chelph, Ont., Nictoria Road Clatelph, Ont., Nictoria Drive Sales. South Railway Street Cockery Mancouver, B.C. Gore Avenue. Siloux, Ont., Albert Street Crossing Cooksyville, Ont., Hurotario Street Cockery Hamilton, Ont., Inters. Hess. & Markland Sts. Varieties Hess. & Markland Sts. Varieties Hess. & Markland Sts. Varieties Hesselber, Markland St. Varieties Hesselber, Markland St. Varieties Hesselber, Markland St. Varieties Hesselber, Street Crossing Wester. Cockery Hesselber, Markland St. Varieties Street Crossing Wester. Crossing Wester. Crossing Wester.
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Feb. 20 Feb. 20 Feb. 20 Feb. 20 Feb. 20 Feb. 20 Feb. 21 Feb. 22 Feb. 22 Feb. 22 Feb. 23 Feb. 24 Feb. 25 Feb. 26 Feb.
2676.102 2676.102 2676.102 2671.128 2671.128 2671.230 2671.230 2671.230 2671.230 2671.230 2671.231
19673 19674 19706 19706 19709 19709 19709 19733 19733 19741 19739 19740 19724 19720 19880

No. 9.—Statement showing highway crossing accidents attended by personal injury, investigated during the year ending No. 9.—Statement showing highway crossing accidents at 1928— Continued

	Remarks	Dible ; ra. rural; trees. Sele. ra. rural; sdg.; earelessness. Sele. ra. rural; sdg.; earelessness. Sele. ra. rural; sdg. Sele. ra. rural; sdg. Sele. ra. urban; bldgs; carelessness. Dible; slew urban; bldgs; carelessness. Sele. ra. urban; bldgs; sta. sdg. Sele. ra. urban; bldgs; carelessness. Sele. ra. urban; bldgs; darfessness. Sele. ra. urban; bldgs; carelessness. Sele. ra. urban; trees; carelessness. Sele. ra. urban; bldgs; darfessness. Sele. ra. urban; bldgs; darfessness. Sele. ra. urban; bldgs; carelessness. Sele: ra. urban; bldgs; carelessness. Sele: ra. urban; bldgs; carelessness. Sele: ra. urban; bldgs; carelessness. Sele: ra. urban; bldgs; carelessness. Sele: ra. urban; bldgs; carelessness. Sele: ra. urban; bldgs; carelessness. Sele: ra. urban; darelessness.
	Class of accident	Auto. Auto.
-	Protec- tion	
	H	T
	K.	
	Place	Rosemere, P.Q., 1st Crossing Fast, Falyaran, Alta., 1st Crossing Rest Wetaskivin, Alta., Pearce Street. Wetaskivin, Alta., Pearce Street. Suskatioon, Sask., Lorne Avenue. Hubbata, Alta., a mile morth R. Steskatioon, Sask., South end of Vard Ruscomb, Ott., a mile West. St. Thomas, Ont., a mile West. Delhi, Ont., lst road crossing east. Beach S.D., 2nd Crossing East Canal Draw- bridge. Nizagara Falls, Ont. Stanley Street St. Thomas, Ont. Stanley Street St. Thomas, Ont. Stanley Street St. Thomas, Ont. Stanley Street File Lake, Sask., 1st Crossing East File Lake, Sask., 1st Crossing East Nizodel, P.Q., 2nd Crossing East Nizodel, P.Q., 2nd Crossing East Norwood, Ont., 1st Crossing East Norwood, Ont., 1st Crossing East Norwood, Ont., Lord for Road Antigonish, N.S., Grossing at Samin, Ont. Jondon Road Brantlord, Ont., Front Street Antigonish, N.S., Grossing at Cunrero Selfe, Que, Grossing at Cunrero Selfe, Que, Grossing at Stanle, Ont., 2nd Crossing at Cunrero Selfe, Que, Grossing at Cunrero Selfe, Que, Grossing at Saman, Ont. Plank Road. Siona Lookout, Ont., Grossing at Saman, Ont. Plank Road. Siona Lookout, Ont., Grossing at Stanleford, Ont., 1st Crossing it mile east Stanleford, Ont., Crossing at Midels Stanle Stanle Stalle Stanle Stanle Stalle Stanle Stanle Stalle Stanle Stanle Stalle Stanle Stalle Stalle Stanle Stalle Stanle Stalle S
	Railway	SOSOSSI SOS SA SOSOS SOSOS SOS SOS SOS SOS SOS
-	Time	8-10-20-20-20-20-20-20-20-20-20-20-20-20-20
	Date	May 9 12 May 12 May 12 May 12 May 12 May 13 May 14 May 15 May 15 May 15 May 15 May 16 May 16 May 16 May 17 May 18 May 17 May 18 May 17 May 18 May 17 May 18
1 100	Board	27,156-114 287,866-34 287,866-34 287,866-34 287,866-34 287,866-36 287,866-36 287,866-36 287,866-36 287,768-36
1	Inv. File	19974 19974 19983 19988 19988 19988 19988 20015 20015 2005 2005 2005 2005 2005 20

Sgle, r.a. rural; carelessness. Sgle, r.a. rural; bidgs; trees; carelessness. Sgle, r.a. rural; bidgs; trees; Sgle, r.a. rural; carelessness. Sgle, r.a. rural; carelessness. Dble, r.a. urban; bidgs; carelessness. Sgle, r.a. rural; carelessness. Dble, r.a. urban; bidgs; carelessness. Sgle, r.a. rural; trees; carelessness. Sgle, r.a. rural; trees; carelessness. Sgle, r.a. rural; trees; carelessness. Sgle, r.a. urban; bidgs; carelessness. Sgle, r.a. urban; bidgs; carelessness. Dble; r.a. urban; dags; carelessness. Dble; r.a. urban; bidgs; carelessness. Sgle, r.a. urban; bidgs; sdgs; carelessness. Sgle, r.a. urban;
Auto. Auto.
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Libhan Man, Crossing at Lake Park Sh., Que, Crossing 2 mile West Okvotoka Stn., Alta., 2nd Crossing North Edmonton, Alta., 2nd Crossing North Edmonton, Alta., 2nd Crossing North Chipman, Alta., 2nd Crossing East Sinedden, Ott., 1st Crossing East Sinedden, Ott., 1st Crossing East Summerville, Ont., M. 10.8 Gatt S.D Beauport, Que, 3rd Crossing West Croadon, Ont., Strong St., 1-8 miles from E. North Transcoma, Man, King Street Crossing St. Martin Stn., Que, 1st Crossing West Carleton Place, Ont., Franktown Koad. E. North Transcoma, Man, King Street Crossing St. Martin Stn., Que, 1st Crossing West Carleton Place, Ont., Franktown Koad. Dorth Transcoma, Man, King Street Carleton Place, Ont., Franktown Koad. Mottreal, Que, Burbomerier Street East Templeton, Que, 1st Crossing West Carleton Place, Ont., Bender Avenue Crossing Mostrael, Que, Burbomerier Street East Templeton, Que, 1st Crossing West Appin Station, Ont., 1st Crossing Bast Maidstone, Ont., Talbot Road Grossing Leatute, Que, Burtany Street Crossing Morth Edmonton, Ala, Crossing Bast Mottrael, Que, 2nd Crossing East Actorials Leatured Stn., Que, 1st Crossing West Actorials Leatured Stn., Que, 1st Crossing Park Chronyale, Que, 2nd Crossing East Mottrae, Station, Que, 2nd Crossing East Chronyale, Que, 2nd Crossing East Chronyale, Que, 2nd Crossing East Workton, Sask, Lorne Avenue Complehengre Falls, Ont., 2nd Grossing East Montrael West, Que, Crossing east of Montreal West, Que, Crossing east of Mangeure Falls, Ont., 2nd Street Mangeure Falls, Ont., 4nd Street Mangeure Falls, Ont., 4nd Street Mangeure Falls, Ont., 2nd Crossing East Mangeure Falls, Ont., 4nd Crossing East Mangeure Falls, Ont., 4nd Crossing East Mangeure Falls, Ont., 4nd Man, 4nd Crossing East Mangeure Falls, Ont., 4nd Crossing East Mangeure Falls, Ont., 4nd Man, 4nd Crossing East Mangeure Falls, Ont., 4nd East Mangeure Falls, Ont., 4nd East Mangeure Falls, Ont., 4nd East Mangeure Falls, Ont., 4nd East Mangeure Falls, Ont., 4nd East Mangeure Falls, Ont., 4nd East Mangeure Falls, Ont., 4nd East Ma
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No. 9—Statement showing highway crossing accidents attended by personal injury, investigated during the year ending December 31, 1928—Continued

Remarks	Sigle: skew rural; trees; carelessness. Sigle: r.a. rural; bldgs.; trees; carelessness. Sigle: r.a. rural; carelessness. Sigle: r.a. rural; carelessness. Sigle: r.a. rural; bldgs.; trees; carelessness. Sigle: r.a. rural; bldgs.; trees; Sigle: r.a. rural; bldgs.; trees; Sigle: r.a. rural; bldgs.; trees; Sigle: r.a. rural; sigle; carelessness. Sigle: r.a. rural; sigle; carelessness. Sigle: r.a. rural; sigle; sade; carelessness. Sigle: r.a. rural; carelessness. Sigle: r.a. rural; carelessness. Sigle: r.a. rural; carelessness. Sigle: r.a. rural; carelessness. Dible: r.a. rural; carelessness. Sigle: r.a. rural; carelessness. Dible: r.a. rural; carelessness. Sigle: r.a. rural; carelessness. Dible: r.a. rural; carelessness. Sigle: r.a. rural; carelessness.
Class of accident	Auto. Auto.
Protec- tion	
H	H HERENGO GENERALITA H WOMENTO MINISTER
M.	mm 100 M m m mm m mm m m m m m m m m m m m m
Place	Giroux, Man, Crossing 14 miles West Eddy Station, Ont., Grossing Nest of Eddy Station, Ont., Grossing Nest of Eddy Station, Ont., Grossing Nest of Eddy Station, Ont., Man Street Crossing. Heaverton East, Ont., Man Street Crossing. Eddy Station, Ont., 18 miles North Ostolos, Alta., 2nd Crossing N. W. of Station. Richmond Hill, Ont., 18 Roud Crossing North Beauceville, Que., 1st Crossing Hout. Golebrook, N. M. Hayes Crossing North Beauceville, Que., 1st Crossing 40 ft. West Colebrook, N. M. Westmoreland Street. Sorel, Que., Lime Road Crossing. Fredericton, N. B., Westmoreland Street. Sorel, Que., Boom Street Crossing. Fort Coulonge, Que., Boom Street Crossing. Fredericton, Ont., 1st Crossing East Mindson, Ont., 1st Crossing East Kondeds Station, Que., 1st Crossing East Holdflast, Sask., Crossing East Holdflast, Sask., Crossing East Kingston, Ont., Player of Armes Street Kingston, Ont., Player of Armes Street Kingston, Ont., Player of Armes Street Grand Coules, Sask., 1st Crossing East Attercliffe, Out., Angle Road Crossing Raminfont, Out., Angle Road Crossing Raminfont, Out., West Mill Street Crossing Kitchenor, Out., 12 miles south Struthenor, Out., 12 miles south Kitchenor, Out., Louiss Street Crossing Kitchenor, Out., Mest Mill Street Crossing Kitchenor, Out., 2nd Crossing East of Bland River Stat., Out., 2nd Crossing West. Theodore, Sask., 1st Crossing East of Elstow Yen, Sask., 1st Crossing East of Elstow Stat., Out., Ont., 2nd Crossing East of Elstow Stat., Out., Ont., 2nd Crossing East of Flexions State., Out., Ont., 2nd Crossing East of Elstow State., Out., Angle East of Elstow State., Out., Ann., Angle East of Elstow State., Out., Out., 2nd Crossing East of Flexions State., Out., Man., Main Street Crossing Rydered East., 2nd., 2nd
Railway	NOTOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCO
Time	11
Date	Aug. 10 Aug. 10 Aug. 11 Aug. 12 Aug. 12 Aug. 11 Aug. 12 Aug. 13 Aug. 14 Aug. 15 Aug
Board	26744-52 26727-84 26765-188 26765-188 26727-84 26727-84 2672-114 2672-114 277-114 277-114 2672-12 2677-22 2677-22 2677-22 2687-61 2687-114 2687-114 2687-114 2687-114 2687-114 2687-114 2687-114 2687-112 2687-113 2687-114 2687-112 2687-113 2687-113 2687-12 2687-113 2687-113 2687-12 2687-12 2687-13
Inv. File	2034.7 2034.6 2034.0 2034.0 2035.0 2035.0 2035.0 2043.0 2043.0 2043.0 2043.0 2044.0

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Sgle.; r.a. rural; carelessness.	Sele, r.a. urban, blugg., sugs., carolessness. Sgle., r.a. urban, blugg., caroleseness. Sgle., r.a. urban, sdgs., caroleseness. Sgle., r.a. urban, segs., caroleseness.	Sgle, r.a. urban; sdg., trees: careleseness	Sgle.; r.a. urban; bldgs.; carelessness.	Sgle; r.a. rural; h. trees; h.g.	Dble.; r.a. urban; sog.; sun; carelessness.	Sgle; skew; urban; bldgs.; trees.	Sgle.; r.a. rural; stn.; carelessness.	Sgle.; skew; rural; trees; carelessness. Sgle.; r.a. urban: bldes; carelessness	Sgle.; r.a. urban; bidgs.; carelessness.	Dble., r.a. rural; stn.; carelessness.	Sgle.; r.a.; bldgs.; sdg.; carelessness.	Sgle.; r.a. rural; bldgs.; sdg.; trees; carelessness.	Sgle.; r.a. rural; h.g.; carelessness.	Sgie.; r.a. rurai; bidgs.; h.g.	Sgle.; skew; rural; carelessness.	Sgle.; r.a. rural; carelessness.	Sgle., r.a. urban; bldgs.; trees.	Sgle.; r.a. urban; b.f.; carelessness.	Sgle.; r.a. urban; bldgs.; carelessness.	Dble.; r.a. rural; carelessness.	Sgle, r.a. rural; h.g.	Sgle.; skew; rural; carelessness.	Sgle., r.a. rural, trees.	Sgle.; r.a. rural; sdg.; carelessness.	Sgle.; r.a. urban, blugs.; carelessness.	Sgle.; r.a. rural; sgd.; b.b.; carelessness.	Sgle.; r.a. rural; carelessness.	Sgle.; r.a. rural; h.g.; carelessness.	Sgle; r.a. urban; bldgs; carelessness.	Dele.; r.a. rural; bidgs.; trees; carelessness.	Sgle; r.a. rural; trees.	Dble.; r.a. urban; carelessness.	Sgle.; r.a. rural; carelessness. Sgle.; r.a. rural; carelessness.	Sgle.; r.a. urban; carelessness. Sgle.; r.a. urban; bldgs.; carelessness.	Sgle; r.a. rura; h.g.; carelessness. Sgle; r.a. rural; carelessness.
Auto.	Auto.	Auto.	Auto.	Buggy	Auto.	Auto.	Auto.	Auto. Truck	Truck	Wagon Auto.	Auto.	Auto.	Auto.	Auto.	Auto.	1 ruck	Auto.	Auto.	Truck	Truck	Truck	Auto.	Truck	Auto.	Auto.	Auto.	Pedes.	Auto.	Auto.	Auto.	Auto.	Auto.	Wagon	M'cycle:	Auto.
5 Unp.	3 Unp. Watch.	Unp.	2 Unp. 1 Unp.	Bell	1 Unp.	Cates		o Cnp.	2 Unp.	1 Unp.	1 Unp.	Unp.	Unp.	Tub.	Unp.	I Cho.	Bell.	C Unp.	Unp.	Cino.	Unp.	Cap.	Ump.	5 Unp.	Unp.	Cup.	Unp.	Unb.	Unp.	Cap.	Unp.	Bell	Cap.	Comb.	. Cup.
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N.R. Kinkora Stn., P.E.I., Crossing at.	I.N.R. Cobourg, Ont., University Avenue. P.R. Winnipeg, Man, Athlington Street Crossing. I.R. Nestleton Stn., Ont., 2.4 miles South.	N.R. Lindsay Yard, Ont., Jelen Street. 4.R. Kingsville Stn., Ont., 2nd Crossing East.	N.K. Fort Arthur, Ont., Main Street Crossing. R. Barnwell, Alta., 1st Crossing East.	f.R. Galt Stn., Ont., 1.7 miles East. Harrow Stn., Ont., 1st Crossing West	R. Dryden Stn., Ont., 1st Crossing West.	V.R. Montreal, Que., Charlevoix Street	Summerberry, Stn., Sask., 1st Crossing West.	N.R. New Hamburg, Ont., 1st Crossing West	K. St. Kosahe, Que., 1-7 miles South.	Hubleys, N.S., Robinson's Crossing	N.R. Longford Stn., Ont., 1st Crossing North	V.R. Oromocto, N.B., Main Highway Crossing.	South Bay, N.B., 600 ft. East	R. Perth Stn., Ont., 1-4 miles West.				R. Oak Bank Stn., Man., 1st Crossing East				R. Ellerslie Str., Alta., 1st Crossing South							Frankfort Stn., Ont., Crossing South of Kenora Stn. Ont. 4th Crossing Foot of			92,			N.R. Kellys, Ont., Welburn Crossing.
55				PC	S.C.	50	ÖÜ			500	30	0	J.C	C.P	2,Z	C.P	O.C.	CCP	20 00 —			Cip	O'N	SS	O'C	00	22 00	SO		SS	SS	CC 	C.P Mid	OO 	C.N.
6.50 p. 17.09 k.	5·55 p. 17·15 k. 11·30 a.	10.45 a. 2.40 p.		6.40 a. 4.45 p.	19.25 k. 8.21 a	5.24 p.	8.25 k.	31.	90	.45	24.5	.15	I-10 p.	.50	84	11.25 k.	30	36	.42	17.30 k.	.33	3 :	.20	.30	2.00 p.	.40	30	.52	.25	.45	.05	. 42	.37	7.15 k. 2.45 p.	1.05 p.
	Sept. 11 Sept. 27 Sept. 29																																		
36298	20522 9437 · 1033 20524 27365 · 22 20536 26727 · 234	27929		27929	26727	2487	2807	9437	27156	29696	36711	33229	27.150	26727	27467	27365	9437	26744	9437	27467	27467	27811.	27811.	26765	26711	9437	25136	26711.	26727	26711	9437	26782			-

b.b. Bill-board

Stn....Station h.g.....High ground

Bldgs....Buildings obstructing view Sdg..... Siding

... Double track ... Right angle crossing

Dble...

Pedes Pedestrian Sgle Single track

Unp.....Unprotected Watch....Watchman

No. 9.—Statement showing highway crossing accidents attended by personal injury, investigated during the year ending December 31, 1928—Concluded

Remarks	Sele, r.a. rural; carelessness. Sele, r.a. urban; bldgs. Dble, r.a. urban; bldgs. Dble, r.a. urban; bldgs. Sele, r.a. urban; bldgs. Sele, r.a. urban; bldgs. Sele, r.a. urban; bldgs. Dble, r.a. urban; bldgs. Dble, r.a. urban; bldgs.; carelessness. Dble, r.a. urban; bldgs.; carelessness. Sele, r.a. urban; bldgs.; carelessness. Sele, r.a. urban; bldgs.; carelessness. Dble, r.a. urban; bldgs.; carelessness. Dble, r.a. urban; bldgs.; carelessness. Sele, r.a. urban; bldgs.; urelessness. Sele, r.a. urban; bldgs.; carelessness. Sele, r.a. urban; bldgs.; carelessness. Sele, r.a. urban; degs.; carelessness. Sele, r.a. urban; bldgs.; carelessness. Sele, r.a. urral; ures; carelessness. Sele, r.a. urral; bldgs.; carelessness.	
Class of accident	Truck Auto. Auto. Auto. Auto. Auto. Bus Wagon Auto.	
Protec-		
H		0
K.	1165 91 1-1 1-1 2 2 1-1	
Place	Titian, A Deborah, Wast Mo Wast Mo Wast Mo Wast Mo Madever Matth Stu Scarboro Townson Townson Townson Townson Townson Townson Townson Matching Manillo Market Manillo Market Mo Maket Mo Market Mark	EXPLANATION OF ABBREVIATIONS
Railway	SCOREGO CON CHOCO CONTROL CONT	
Time	\$\frac{9}{2} \frac{9}{2} \frac{9}{2} \frac{1}{2} \frac	
Date	Dest Wood of Street Str	
Board	2.75811-47 2.75811-47 2.8627-1 2.8627-1 2.8628-1 2.8638-1 2.8638-1 2.8640-38 2.8740-38 2.8740-38 2.8740-38 2.8770-38 2.8771-28 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8770-38 2.8771-28	
Inv. File	20717 20717 20731 20734 20734 20734 20735 20736 20745 20746 20756 20757	

No. 10.—Statement showing accidents to employees while working on or under engines, investigated during year ending December 31, 1928.

l- In-	
Kij.	
Remarks	Struck by reverse gear cylinder head which blew out. Releasing whiste valve which was stuck, ear drums injured Fell against tender when shaker bar came off Fell against window frame when engine struck by another engine Unknown object struck and broke cab window Unknown object struck and broke cab window Unknown object struck and broke cab window Unknown object struck and broke cab window Fell while firing when engine lurches. Swaying of engine caused shaker bar to fall Lubricator glass blew out. Slapped off crank Fell when getting through cab window. Slipped off tender steps while breaking coal Slipped off tender steps while breaking coal Slipped off tender steps while breaking coal Fingers caught when motion cover on rotary plow slipped. Tying cab curtains slipped on apron between engine and tender Forthead injured when steam shortel cable struck cab of engine. Falling rock can through cab window to cars. Shutting off throttle, same flew back and injured elbow Waterglass broke, arm burned. Shutting off throttle, same flew back and injured elbow Slipped off tender when putting out tail lights. Knocked off stender when putting board. When apron bolt broke, leg went down between engine and tender Climbing out of cab window, struck head on oil reservoir. Dumping sahpan, hand caught between lever and boiler. Trying to lorate lever, caught between lever and boiler. Trying to lorate lever, caught between handle and brake cylinder. Sprinkling hose burst. Trying to lorate lever, caught between lever and boiler. Foot injured when reverse lever flew out of quadrant. Sprinkling hose burst. Foot injured when reverse lever flew out of quadrant. Foot injured when reverse lever flew out of quadrant. Foot injured when reverse lever flew out of quadrant on steam pipe at reducing reaples window to guadrant spring bode tinger whon e
Place	Moose Jaw, Sask. Komoka, Ont., 2 miles weet Saskatoon, Sask., 2 miles north Winnipeg, Man. South River, Ont. Ignace S.D., Ont. M. 104½ South River, Ont. Ignace S.D., Ont. M. 104½ Swift Current S.D., Sask., M. 41 Bassano, Alta Bassano, Alta Bassano, Alta Bassano, Alta Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Rockingham, N.S. Spence S.D. 104, Varid Bandry, Man Capprod, Ont., Varid Camper, Man Bathurst S.D., N.B.M. 157.25, Birling, Sask. Ranikon, Ont. Birsheld, N.B. Bathurst S.D., N.B.M. 157.25, Birling, Sask. Ranikon, Ont. Birsheld, N.B. Campbellton, N.B. Woodstock, Ont., Yard Canapbellton, N.B. Woodstock, Ont., Yard St. Piere, Que St. Piere, Que St. Piere, Que St. Piere, Que St. Piere, Que St. Piere, Que St. Piere, Que St. Piere, Que St. Piere, Que Brandon, Man, Yard Brandon, Man, Yard Brandon, Man, Yard Morty Pane, M.
Railway	OOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOOO
Date	Nov. 14 Nov. 29 Nov. 29 Dec. 18 Dec. 18 Dec. 17 Dec. 17 Jan. 16 Jan. 16 Feb. 18 Mar. 14 Mar. 14 Mar. 27 April 18 April 28 April 38 April 28 April 38 April 48 April 58 April 58 April 68 April 68 April 68 April 78
Inv. File	19401 19414 19428 19428 19428 19478 19551 19571 19571 19680

year No. 10.—Statement showing accidents to employees while working on or under engines, investigated during ending December 31, 1928—Concluded

In- jured	
Kil- led	F
Remarks	After repairing bell rope, slipped from side of cab Struck by lumber projecting from car Fell off tender when engine coupled on to train Steam pipe connection on injector blew off Gauge glass broke Fell off running board when examing engine bell While ofling dynamo, foot slipped Sprinkler hose came apart at coupling, scalding freman's foot Clinbing from cab, caught between voio of cab and tender Taking water, caught between waterspout and coal box. Caught between engine and car on passing track Thrown from cab while adjusting curtain.
Place	MacTier, Ont. Winnipeg, Man., Fort Rouge Brooks S. D., Alta., M. 405 Red Deer S. D., Alta., M. 405 Queber, Que Chicoutimi, Que Armstrong, Cut. Walkerton, Ont. Winnipeg Terminals, Man Pleasant Point, Man. Newcastle, N.B.
Railway	COCCOCCOCCOCCOCCOCCOCCOCCCCCCCCCCCCCCC
Date	Sept. 30. Oct. 2. Oct. 4. Oct. 11. Sept. 6. Sept. 12. Sept. 24. Nov. 13. Nov. 17. Nov. 17.
Inv. File	20502 20549 20549 20601 20601 20703 20704 20778 20778 20778 20778 19759

No. 11.—Statement showing the number of highway crossing accidents, with the total number of killed and injured, by provinces, for year ending December 31, 1928.

	I.	01- 00-40-60000000000000000000000000000000	475
Total	K.	40 200 - 20	173
	Acc.	27. 27. 27. 27. 27. 27. 27. 27. 27. 27.	371
th bia	H	77	19
British	K.		10
75	Acc.	201	120
ta ta	I.	200	31
Alberta	K.	10 10	10
V	Acc.		25
van	H	13 13	34
Sas- katchewan	K.	133	23
ka	Acc.	110	31
pa	H	46 11	34
Manitoba	K.	60 At	~
ME	Acc.	1 000	20
0	I.	040 040 400 601 6000 60 60 40 11	249
Ontario	K.	7 1 1 2 8 6 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	17
	Acc.	800 800 471 11 11 14 800 800 800 800 800 800 800 800 800 80	192
e e	i.	87.4 1.33.6 8.00	80
Quebec	K.	2 2 2 1	46
	Acc.	421	65
, p_	I.	<i>ν</i> Ο	r3
Prince Edward Island	K.		
HAL	Acc.	-	-
ck	I.	Φ10	11
New Brunswick	K.	P	2
Br	Acc.	∞ κ3	13
	i.	03	4
Nova Scotia	K.		41
F-102	Acc.	4 6	9
		Canadian National Canadian Pacific Canadian Pacific Grand River Grand River Midland Railway of Manitoba Canadian National Electric Canadian National Electric Oubber, Montreal & Southern Toronto, Hamilton & Buffall Niagara, St. Catharines & Toronto Algoma Central & Hodson Bay New York Central Quebec Central Quebec Central Condon & Port Stanley London & Port Stanley London & Port Stanley Erath Northern Windsor, Essex & Lake Shore British Columbia Electric Dominion Atlantic Pere Marquette Brent Northern Windsor, Essex & Lake Shore British Columbia Electric Dominion Atlantic Esquimalt & Nanaimo Montreal & Southern Counties	

No. 12.—Statement showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31, 1928.

Nature of Protection	Automatic Bell and Wigwag installed. Wigwag added to bell. Speed limitation on north bound trains. Speed limitation 10 miles per hour to be maintained. Speed limitation 10 miles per hour to be maintained. Speed limitation 10 miles per hour to be maintained. Fringe added to gates, sidewalk barrier erected to close gate on each side, and fencing brought up to end of gates. Automatic bell and wigwag installed in lieu of watchman.		Advance warning signs, reflector type, installed. Install bells and wigwags to protect running tracks at crossing at McLean, Sask. Advance warning signs installed. Wigwag signal added to bell. Wigwag signal added to bell. High ground removed. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Trees cut down. Antomatic bell and wigwag installed. Automatic bell and wigwag installed. Snow fence and trees removed. Snow fence and trees removed. Switching crew to flag movements over crossing.
Railway	P.M. Ry C.N.R. C.P.R. C.P.R. C.P.R. C.P.R. M.C. Ry	KVR. COR. E. & P.S.R. L. & P.S.R. N.Y.C.R. C.P.R. COR.R.	CONR. GPR. MCR.
Location of Crossing	Chathaun, Ont., Park Street Allanburg, Ont., Blackhorse Crossing Broughton East, St. Joseph Street. Brotz Burwell yard, Ont., Bridge Street. Drummondville, Que., 1st crossing of diamond Rainy River (near) Fort Francis Sub. Mileage 142, Ont. Toronto Terminals, McLennan Ave.	East Angus station, Que., Angus Street Penticton South, B.C., Fairview Road Rywa Richmond station, Que, McCormack's Crossing Rymal Station, Ont., i mile south. Chemainus, B.C., 1 mile south. St. Thomas, Ont., Talbot Street St. Stanislas, Que., 1st crossing south Rush Lake, Ont., 1st just west of Oakville Station, Ont., 1st crossing west Kentyville, N.S., Main Street crossing west Kentyville, N.S., Main Street crossing east Formal one 1st crossing east	London, Ont., Dundas street crossing. Qu'Appelle South re dangerous crossing at McLean, Sask. Wingham Sub. Mileage 2.94, Ont. Saskatoon, Sask., 23rd street. Springhed Village, Ont., East Street. O'Keefe, Meston, Ont., Domison Ave. C'P. R. Streetersville, Ont., Thomas Street. Streetersville, Ont., Strange street. C'N. R. St. Catherines, Ont., Compton strossing. Niagara Falls, Stanley Street. Niagara Falls, Stanley Street. Niagara Falls, Stanley Street. Niagara Falls, Stanley Street. C'N. R. St. Catherines, Ont., Compton strossing. No. St. C. Niagara Falls, Stanley Street. St. Compton Street. C'N. R. Regina, Sask., Pasqua Street. C'N. R. Regina, Sask., Pasqua Street.
Order No.		40243 40337 40337 40411 40479	
File No.	27929 · 8 9437 · 1323 1646 · 9 26727 · 209 32214 26711 · 210 9437 · 1178	31646+10 31646+10 31646+11 26711-233 24540-14 25542-37 Case 3028 9437-170 9437-170	26727 114 35734 1211 (*use 2109 26727 114 35734 127 80 16388 127 9437 236 26765 70 26711 234 27231 27218 64 27218 34 27218 34 27218 54 2731 243 27467 54 37231

Trees trimmed. Double bells and wigwa ginstalled. Automatic bells and wigwag signals installed. Double bells and wigwags installed. Brush and trees cut down. Weeds cut down, trees trimmed, trees cut down. Standard highway crossing sign installed. Trees cut down. Advance warning signs installed. Old interlocker tower removed, whistle post installed. Double bells and wigwags installed.	Double bells and wigwags installed. Double bells and wigwags installed. Double bells and wigwags installed. Double bells and wigwags installed. Bell and wigwag installed. Double bells and wigwags installed. Automatic bell and wigwag installed. Keep all cars back 200 feet from street line. Double bell and wigwags installed. Ten miles per hour to be retained against westhound.	trains. Automatic Bell and wigwag installed. Trees removed. Wigwag signals added to bell. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Construct subway under tracks. Expropriate a triangular portion of land in south west	angle of crossing. Automatic bell and wigwag installed. Bells and wigwag installed (automatic). Automatic bell and wigwag installed. Extending hours of gates operation, 6 a.m. to 1 a.m. Automatic bell and wigwag installed.	Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed. Automatic bell and wigwag installed.
C.N.R. C.N.R. C.P.R. B. & H.E. Ry C.P.R. P.M.R. M.O.R.	MAKA MONON MONON MANA MANA MANA MANA MANA M	MACR MCR CCNR COPR	OOWWWWWWWWWWWWWWWWWWWWWWWWWWWWWW	REBERERE OCCOCCOCO
Rymal Station, Ont., 1st crossing south. Ruscomb, Ont., Angle Road crossing. Woodslee, Ont., Angle Road crossing. Elko, B.C., 2nd crossing east. Echo Place, Ont., Lock Road Crossing. Less Eboulements, M. 67. 33, Murry Bay Sub. Ste. Eustache Sub, M 92, south of St. Therese. Courtwright Station, 1st crossing west. St. Bonidace, Mo. Dawson Road crossing. Yarmouth, N. S., 1.60 miles east. Townsend Center, Out., at Station.	Terry Station, 2 vo mules east. Canfield Jet., Out. Talbot Road. Tillsonburg Station, Mile 0.94 west of Tillsonburg Station, Mile 0.94 west of Tillbury, Ont., 23 miles east provincial highway 2 Governors Road Crossing, Ont. Governors Road Crossing, Ont. Montrose Junicion, Ont., Stone road Regina, Sask., Winnipeg Street Road, Street C.N. Hope, B.C., Water Street C.N. Baie St., Paul, Gov., Wharf Road, east of station C.N. Frue River, Ont., Tecumseh Road, west of station C.N. Franktown Road Crossing, Ont., west of Carleton C.P.	Rothesay, N.B., mileage 80.4, Sussex Sub-Courtwright Station, Ont., 1st crossing west. St. Thomas, Ont., Princess Avenue. Antigonish, N.S., Main Street crossing Penobsquis, N.B., 1st east of station. Trois Riviere, Que., St. Maurice Street. Fenwood Village, east of	Welland, Ont., Ontario Road crossing West Lorne, Ont., 0.75 miles east of station Highgate, Ont., 2.42 miles west of Villa Nova, side road at Station Rodney, Ont., 2.36 miles west. Charing Cross, Ont., side road 2.66 miles west. Welland, Ont., 2.73 miles east of Fargo, Ont., communication road, 0.89 east of Taylor, Ont., town line road 0.50 west of. Rodney, Out., timrocal road Petitocidiac, N.B., M. 42.86 Sussex Sub. Stewnacke, N.S., M. 46.80 Bedford Sub.	Bayfield Road, N.S., M. 98-76 Mulgrave Sub Campbellton, N.B., Richards Crossing, Bathurst Sub. Marysville, N.B., M. 106-90 Nashwaak Sub. Hardwood Ridge, N.B., Mile 54-54 Chipman Sub. Amblerst, N.S., Mile 77-16 Springhill Sub. Nauwigewauk, N.B., M. 72-60 Sussex Sub. Isle Verte, Que., M. 47-36 Rimouski Sub. St. Moise, Que., M. 83-38 Matapedia Sub.
40972 41001 41001 40971 40971 41063 41066 41067	41068 41068 41068 41088 41089 411188 41202 41202 41202			41520 41522 41526 41527 41527 41537 41542
26711.233 26842.14 26842.14 26727.86 9 437.131 2773.44 2773.44 2773.44 2773.44 2773.44 2773.47 27729.30 27126.112 27829.30 27126.77 26842.77	28842.70 26842.73 26842.75 26842.29 27094.8 30213.2 26732.108 26732.108 9437.591	36117 27929·30 26711·246 36122 36122 36139 9437·1089 27467·60	26842 · 83 26842 · 87 26842 · 87 26842 · 87 26842 · 86 26842 · 88 26842 · 88 26842 · 88 26842 · 88 33229 · 9 33229 · 9	27218-67 33229-45 33229-44 33229-43 27718-68 36120 26782-124

No. 12.—Statement showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31 1928—Concluded.

ıcıuaea	Nature of Protection	Automatic bell and wigwag installed. Cars to be kept back from street line required distance. Cars down. Advance warning signs installed. Trees cut down. Advance warning signs installed. Migwag installed in addition to bell. Wigwag installed in addition to bell. Whence warning signs installed. Advance warning signs installed. Crossing sign relocated. Cars kept back 50 feet from street fine.	Automatic bell and wigwag signals installed. Wigwag added to bell. Crossing sign repainted. Automatic wigwag and bell installed. Wigwag added to bell. Six mile per hour speed limitation. Cars back 100 feet each side. Whistle post erected. Install automatic bell and wigwag. Automatic bell and wigwag installed. Wigwag added to bell. Portion of snow fence removed. April 15 to Nov. 15 each year. Brush cut down. Trees trimmed. Standard highway crossing sign relocated. Cars kept 50 feet from street line. Sight lines improved. Trees trimmed. Brush cut down. Wigwag added to bell.
31, 1928—Con	Railway	CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	CONR CONR CONR CONR ACOR ACOR CONR CONR CONR CONR CONR CONR CONR C
twelve months ending December 31, 1928—Concluded	Location of Crossing	Chatham, N.B., Water Street. Sorion, N.B., Mileage 56-62 Sussex Sub. St. Johns, Que., Jacques Cartier Street. Sorel Station, Que., one mile east of Baie St. Paul (near), M. 59-84 Murray Bay Sub. Boint au Pic. Que. St. Antoine road crossing. Sorel, Que., Line road crossing. Kingsville Station, 2nd crossing east. Kingsville Station, 2nd crossing west Chalk River Sub. Kitchener, Ont. Louisa Street crossing. Antiponish, N.S. Antiponish, N.S. Dryden, Ont., 12 miles south of. Longlord Station, 11 troossing north. Electis, Ont., 12 miles south of. Longlord Station, Ont., 11 troossing north. Electis, Ont., 100 yards east of station. Goodwood, Ont., 1100 yards east of station. Richmond, Que., 2nd crossing east, Adam Street.	Lambton Mills, Ont., Dundas Street, 2-98 miles from Tor. G.N.R. Guelph Station, 14 miles east, Ont. Gon H. Toronto, Ont., Eagle Avenue, formerly Dufferin Street Con R. Weston, Ont., Eagle Avenue, formerly Dufferin Street C.N.R. Port Hawkesbury-Leonard Fisheries crossing. Mileage 1-07 C.N.R. Inverness Subdivision. Tilbury, Ont., Queen Street Chatham, Ont., Park Street Chatham, Ont., Park Street Chatham, Ont., 1st crossing north of station. Waymont (near) Langham Sub. M. 117—25 poles east, Sask Colbrook, N.S., mile west Colbrook, N.S., mile west Maple Grove, Ont Maple Grove, Ont Maple Grove, Ont Con R. Maple Grove, Ont Con R. Con R. Con R. Con R. Con R. Con R.
	Order No.	41547 41548 41605 41641 41674 41674	41808 41809 41810 41817 41841 41853 41854 41872 41872 41872 41872
	File No.	36118 31329 - 2 2748 - 5 26782 - 118 26782 - 118 26782 - 118 26782 - 2 26711 - 248 26727 - 220 26727 - 231 26727 - 231 26727 - 231 26727 - 248 26727 - 248	26711-201 26765-141 28765-141 588-38 26765-19 33229-40 6 38229-40 9437-35 26711-270 27467-72 28300-17 26782-137 28380-17

No. 13.—Statement showing the number of highway crossings at which protection has been ordered, and the nature of protection set out by provinces, for twelve months ending December 31, 1928.

Page agrange of	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Total
Removal of view obstructions (trees, banks, buildings, etc.) Keeping cars back from street line required distance		1	1	5	15	2	1	,	4	28
Installation of automatic bell and wig- wag Improved type of automatic bell and		4	6	3	7	1			1	22
wigwag in lieu of watchman				1	1 1					1 2
Speed limitation on north bound trains Speed limitation on south bound trains Wigwag added to bell. Fringe added to gate,		1		1 1 2	11					1 1 14
Advance warning signs installed One hundred candle power lamp in-		1		2 7	5	1			1	1 5 12
stalled. Speed limitation of 6 miles per hour between midnight and 6 a.m. Double automatic bells and wigwags.				2	1 18					3
Switching crew to flag movements over crossing		1					1			20
Standard highway crossing sign in- stalled		2	1	3						6
against westbound trains. Construct subway under tracks. Extending hours of gate operation, 6 a.m. to 1 a.m.				1	1 1					1
Approaches filled in Standard highway crossing signs repainted					1					1 . 1
Standard highway crossing signs made regulation height										1
located				1						1
Parameter and the second secon		14	8	34	63	• 4	2		6	131

No. 14.—Statement showing number of persons killed and injured at public highway crossings, separately for the years ending December 31, 1924, 1925, 1926, 1927 and 1928.

Year	Ga	ites	В	ell	Wate	hman	Unpro	otected	То	tal
Teat	K.	I.	K.	I.	К.	I.	К.	I.	К.	I.
1924 1925 1926 1927 1928	11 7 4 1	15 14 20 13 6	10 9 21 16 22	47 50 65 45 35	1 1 1	5 7 9 21 9	73 65 100 79 144	220 318 276 346 425	94 76 129 99 173	287 389 370 425 475
	24	68	78	242	8	51	461	1,585	571	1,946

No. 15.—Statement showing number of highway crossing arcidents and the nature of same, for each and every year separately, for years ending December 31, 1924, 1925, 1926, 1927 and 1928.

		Gates	es S		_		П	Bell					Wate	Watchman	2			2	Unprotected	ected					Total		
	1924 1925 1	1926 19	127 192	1928 Totul 1924	al 192	1 1925	1926	1927	1928	1927 1928 Total 1924 1925 1926 1927	1924	1925	19261	1927	1928	[1928 Total 1924]	1924	925 1	926 1	927 15	328 T	1925 1926 1927 1928 Total 1924 1925 193	24 19	25 19	26 192	27 192	1928 Total
		1 :	Î	1			4		1	į			l to	0		o c	199	180	101	910		055	6.89	10	35 96	33 208	1 174
Automobile	C1	01	00		25 30	32	250	34	31	100		9	0	0	70	0	100	101 001	101		007	000		9			
Horse and Rig	1	-			G.1	4.	1-	2	10	23	_	_	:	:	:	67	31	10.	21	22	728	126	37	200	53	24 35	Sel les
Pedestrian	21 4	6	19	5	51 2	-	5	47	ಣ	16	-	66	3	-	ಣ	11	16	12	22	10	=	7.1	42	19	39	27 2	22 149
	24 11	20	15	00	7.08	38 35	51	40	41	205	5	-1	00	6	12	41	180	204	224	250	294 1	,152	247 2	357 3	03 3	14 35	41 180 204 224 250 294 1,152 247 257 303 314 355 1,476

The total of 1,476 accidents covers 571 persons killed and 1,946 persons injured, as referred to in preceding statement.

No. 16. -Statement showing the number of trespassers killed and injured, by provinces and railways, for year ending December 31, 1928.

		0.87	-			. 61			· 61	- 1	6
17	i	62				:		:	:		139
Total	:	69	co -	4	4 - 1				-	:	127
	K	9 4									=
ish	I.	10 02	:					:		-	16
British	K.	L-	:	-	4	:		:		:	6
	F	三三	:	:	1	:		:			26
Alberta		00.44		:	: :	:		:	: :	:	12
7	X.		:			:	: :				
a- wan	I.	00 00	:	:				:			14
Sas- katchewan	K.	1 ~ ∝	:	:		:	: :	:			15
		20 0	· ·	:	: :	:	: :	:	-		11
Manitoba		00 00	:	: .	: :	:	: :	:	:	:	91
M	M		:	:		:	: :	:	:		
urio	I.	24	1								47
Ontario	K.	29	30	-		:	-				20
Suebec	I.		H :	:			7	:	. 6	:	19
Que	K.	10	:	:		9 (+	- :	:	-	1	19
w	I.	4		:		:		:	:		4
New Brunswick	K.	63		:		:		:	:		0.1
e z	H	C3		:					:		C1
Nova Seotia	К.	4		:		:			:		-
	1	:	: :	:		:	: :		:	: :	
		Canadian National	Michigan (entral	Niagara, St. Catharines & Toronto	Kettle Valley	New York Central	Quebee Central	London & Port Stanley.	Thousand Islands	Cuchec Kaniway, Egut & Lower Esquimalt & Nanaimo	

No. 17.—Statement showing the number of persons killed and injured on the various railways under the jurisdiction of the Board from April 1, 1919, nine months ending December 31, 1919, and for the years ending December 31, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927 and 1928.

Year ·	Passe	engers	Emp	loyees	Oth	ers	То	tal
1919—9 months	K. 4 17 4 5 15 17 6 13 13 18	274 379 240 376 558 385 385 329 329 301 3,578	91 80 91 83 122 107 76 132 101 109	951 1,570 1,344 2,084 2,542 2,398 2,008 1,727 2,051 2,171 18,846	128 157 148 155 158 194 190 284 239 318	1, 277 381 344 396 497 471 593 564 658 721 4,902	223 254 243 243 243 295 318 272 429 353 445	1,502 2,330 1,928 2,856 3,597 3,254 2,955 2,620 3,091 3,193

No. 18.—Statement showing the number of persons killed and injured in the more prominent accidents on the various railways under the jurisdiction of the Board, shown separately for years ending December 31, 1924, 1925, 1926, 1927 and 1928.

		1											
			1924		1925		1926		1927		1928	T	otal
		K.	I.	K.	1.	K.	I.	K.	I.	K.	I.	K.	I.
Col. Coll Coll	railment lision, head-on lision, rear-end lision in yard lision with cars, oper	1 2	32		3 36	13	14	12	2 129 1 21	5	64	43	771 310 178 264
COL	witchlision with cars stand	-	. 1					-	. 2				3
Coll	g foulision at leve! (dia		. 2		. 5				. 2				9
High	ond) crossing		. 1		. 1		1		. 19				22
High	ted	21	67	11	71	29	94	20	79	29	50	110	361
Adjv	sting couplers coup-	73	220	65	318	100	276	79	346	144	425	461	1,585
Tres	g, etcpassingd car, motor, struck	3	94 109	97	94 132	8 123	82 113	5 121	93 131	6 127	108 139	27 552	471 624
Struc	ck by switch stand	6	27	9	24	20	30	13	37	13	36	61	154
Crus	hed between care		26	2	24		25	2	27		25	4	127
Falli	ng off passenger		15	1	13	1	9	2	10	1	21	5	68
Falli Falli	inng off top of carng between carsing off train in mo-	5 8 5	22 40 6	2 3 3	15 41 8	4 1 5	7 35 10	3 4 4	22 52 13	7 5	6 45 13	21 21 17	72 213 50
ttei	mpt to heard train	4	100	1	98	8	81	6	110	7	136	26	525
lin i	down by engine or	3	65	2	88	6	78	4	64	2	90	17	385
xplo	Sion of locomotive	30	59	21	75	26	63	23	82	22	84	122	363
boi	OF		12		4		3	1	13	3	3	4	35
		263	1,204	241	1,299	366	1,167	318	1,419	389	1,501	1,577	6,590

No. 19.—Statement showing number of cars inspected together with defects, for year ending December 31, 1928.

Per cent defective	3.78 5.02 5.02 11.11 58.66 5.04	5.40	Per cent defective	9.68 10.35 4.76	7.14	8.99
Hand- holds	68 119 14 1	233	Miscel- laneous	174 245 1	∞ €1	430
Per cent defective	10.02 10.31 14.28 33.33 50.0 10.66	10.20	Per cent defective	24·66 24·04 52·38 50	1.33	23.92
Uncoupling mechan- ism	2442 4442 22 2 1 0 0 0 0	440	Height of couplers	443 569 11 3	Cit Imp	1,032
Per cent defective	1.05	1.06	Per cent defective	12.63 11.83	44.44 10.66 60	12.17
Couplers and parts	19 27	46	Sill steps	227 280	4 80 90	525
Grand total defects	2,796 2,366 21 21 20 20 75 75 20 10	4,313	Per cent defective	3.11	2.68	2.13
Per cent defective	2.82 2.82 2.82 2.82 2.82 2.24 2.24 3.69	5.03	Ladders	33.0	-61	92
Cars	1,592 2,111 2,111 5 5 6 8 6 6 9 6 6 7 7 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	3,822	Per cent defective		33.33 5.33 5.33 0.30 67.85	35.12
Cars	32, 280 41, 201 497 145 350 230 230 320 676	75,989	Air	629 849 6	- co 4 co 6I	1,515
	Canadian Pacific. Canadian National. Edmonton, Dunvegan and B.C. Kettle Valley. Great Northern Toronto, Hamilton and Buffalo. Esquimal and Nanaimo. Michigan Central. British Columbia Electric				Great Northern Toronto, Hamilton and Buffalo Esquimatt and Nanaimo Michigan Central. British Columbia Electric	

No. 20.—Statement showing defective safety appliances on freight cars as reported by the inspectors for year ending December 31, 1928.

C			
COUPLERS AND PARTS		AIR BRAKES	
Coupler body broken	2	Triple valve defective	
Coupler body worn	-	1 riple valve missing	~
Guard arm short. Knuckle broken.		Reservoir detective	
Knuckle worn	2	Reservoir loose.	1
Knuckle missing	_	Cylinder detective	11
Knuckle pin broken.	10	CVIInder loose	7
Knuckie pin worn	10	Cylinder and triple valve not cleaned within	
Knuckle pin bent	_	twelve months.	260
Knuckle pin missing		Cylinder and triple valve not stencilled with	
Lock block broken	24	date of cleaning. Cut-out cock defective.	7
Lock block worn .	-	Release cock defective	32
Lock block wrong	1	Release cock missing	3
LOCK DIOCK Dent	3	Kelease rod broken	14
Lock block inoperative. Lock block missing	2	Release rod missing	57
Lock block key missing.	1	Angle cock detective.	23
Lock block trigger missing.	1	Augie cock missing	6
- The state of the	1	I rain pipe broken	10
Total	46	1 rain pipe loose	57
_	20	Train pipe bracket missing.	6
Uncoupling Mechanism		Crossover pipe defective. Hose defective.	-
Uncoupling lever broken	10	Hose missing	1
Uncoupling lever wrong	44	Hose gasket missing.	12
Uncoupling lever bent	97	Retaining valve defective	49
Ulicogning lever incorrectly applied	61	Retaining valve missing	7
Uncoupling lever missing	2	Retaining pipe defective	63
Uncoupling chain broken	176	Retaining pipe missing	3
Uncoupling chain too long.	-	Brake rigging defective	345
Uncoupling chain too short. Uncoupling chain kinked.	4	Brake cut out	541
Uncoupling chain missing.	4	Brake cut out, cars old.	~
End casting broken.	31 1	No brakes of any kind. Pump missing.	-
End casting wrong			
Elia casting bent	8	Total	515
17HU CASTING 1008e	2		.,010
Life Casting incorrectly applied			
End Casting missing	****		
Meeper broken	New	Ladders	
Keeper wrong	***	Ladder round broken	
Keeper bent.	_	Ladder round broken Ladder round bent	6 69
Keeper loose Keeper incorrectly applied		Ladder round loose	9
ALCOURT HITISSING	and a	Ladder round missing	
Angle clip loose		Ladder loose	6
appears to the second s		Ladder loose. Ladder incorrectly applied	$\overset{\circ}{2}$
Total	440		
		Total	92
HANDHOLDS		_	
Handhold broken	12		
rialiulioid bent.	175	SILL STEPS	
92001 01011011814	31	DIMI DIEPS	
Handhold incorrectly applied	4	Sill step broken.	7
-tandifold missing	11	Sill step bent	493
Total	233	Sill step loose. Sill step incorrectly applied.	20
	200	Sill step incorrectly applied	_
HEIGHT OF COUPLERS		Sill step missing	5
Coupler too high.	1	Total	FO."
oupler too low	e e	Total	525
arrier iron loose	. 025	Miscellaneous Total	430
			400
Total 1	,032	Grand Total 4	. 313
Total1	, 032	Grand Total4	, 313

No. 21A.—Statement of defects on freight cars shown separately for years ending December 31, 1924, 1925, 1926, 1927 and 1928.

quest	1924	1925	1926	1927	1928	Total
Couplers and parts. Uncoupling mechanism Handholds. Air Brakes. Ladders. Sill steps. Height of couplers. Miscellaneous	675 200 1,874 136 241	76 698 312 2,381 188 568 29 935 5,187	86 655 348 2,334 178 779 37 670	95 532 251 1,783 136 653 939 577 4,966	46 440 233 1,515 92 525 1,032 430 4,313	380 3,000 1,344 9,887 730 2,766 2,070 3,543

No. 21B.—Statement of cars inspected and defective, shown separately for years ending December 31, 1924, 1925, 1926, 1927 and 1928.

4	1924	1925	1926	1927	1928	Total
Cars inspected	3,824	120,705 4,730 3.91	104,921 4,641 4·42	90,561 4,547 5·02	75,989 3,822 5.02	494,313 21,564 4·36

No. 22.—Statement showing number of locomotives inspected, and number of defects, on the various railways under the Board's jurisdiction, for the year ending December 31, 1928.

C.N.R. C.P.R. E. & N. C.R. G.N.R. B.C. A.E.R. & S. N.Y.C. K.V.R. M.C.R. Q.C.R. H.B. C.C.		1 25
	1 7 1 2 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	4
	Air compressors Ashapans or mechanism Akles Blow-off cocks Blow-off cocks Boiler checks Boiler shell Brake equipment Cabs or cab windows. Cab parons or decks. Coupling and uncoupling devices. Crossheads, guides, pistons or piston rods. Crown bolts. Cylinders, saddles or steam chests Cylinders, addles or steam chests Cylinders and come caps. Draw gear. Draw gear. Draw gear. Drak gear. Draw gear. Fire-box sheets. Fire-box sheets. Frames, tall-pieces, or braces, locomotive. Rancholds. Frames, tall-pieces, or braces, locomotive. Rancholds. Handholds. Handholds. Handholds. Handholds. Handetors and connections. Handetors and connections. Handetors and connections.	Lateral motion. Lights, cab or classification. Lights, headlights.

No. 22.—Statement showing number of locomotives inspected, and number of defects, on the various railways under the Board's jurisdiction, for the year ending December 31, 1928—Continued

	C.N.R.	C.P.R.	E. & N.	Me. C.R.	G.N.R.	Ed B.C.	A.E.R.	%. S. W.	N.Y.C.	K.V.R.	M.C.R.	Q.C.R.	A.C & H.B.	C.R. &
37. Mudrings. 38. Packing nuts. 39. Packing, piston rod and valve stem. 40. Pilots or pilot beams. 41. Plugs or studs. 42. Reversing gear. 43. Rods, main or side, crank pins or collars. 44. Safety valves. 45. Sanders.	£0 − 0 −													
Springs or spring riggin Squirt hose Staybolts. Fraybolts broken. Steam pipes.	101													
52. Steps. 53. Tanks or tank valves. 54. Tellrade holes. 55. Throttle or throttle rigging. 56. Trucks, engine or trailing. 57. Trucks, tender.	100 2	4										61		
59. Washout plugs 60. Washout plugs 61. Water plas or combustion flues 61. Water glass, fittings or shields 62. Wheels 63. Miscellaneous, signal appliances, badge 64. Fire protective appliances	10 11 6 61	7 7 14 30		64		12				H 4				
	328	108		2		12				5	4 8	67		
Locomotives inspected Locomotives defective Percent inspected, found defective	5,571 260 5	4,416	33	100	30 - 30	12 12 16	2 : :	70	767	D 0 10 10	8 4 4	142	108	

Total	::-	52 4 33 1 8	37	: : : 0	· -	 		15 26 1	2	10
N.C.R.										
M.C. R.& P.										
V.H. C.T.R.							· · · · · · ·			
F. & G.L.C. & R.										
Tem.										
Q.O.R.										
W.P.										
& B.										
Wabash										
P.M.R.										
D.A.R.										
	1. Air compressors. 2. Arch tubes. 3. Ashpans or mechanism. 4. Ashpans	5. Blow-off cocks. 6. Boiler checks. 7. Boiler shell. 8. Brake equipment. 9. Cabs or cab windows.				24. Frames, rall-pleces, or braces, locomotive. 24. Frames, tendor. 25. Gauges or gauge fittings, air.	22. Gauges or gauge Intings, steam. 22. Gauge cocks. 28. Grate shakers. 29. Handholds. 30. Injectors inoperative. 31. Injectors and connections.	32. Inspection or test not made as required 33. Lateral motion 34. Lights, each classification 35. Lights, headlights 36. Lights, headlights		40. Pilots or pilot beams 41. Plugs or studs 42. Reversing gear 43. Rods, main or side, crank pins or collars.

No. 22.—Statement showing number of locomotives inspected, and number of defects, on the various railways under the Board's jurisdiction, for the year ending December 31, 1928—Concluded

Hardey valves Hardey valve	[a]		202	122	= =	171 171 140	475	10,884 400 3
Safety valves Safety valve	To		:					10
Safety valves Safety valve	æ	: : :		: : :			1	4 : :
Safety valves Safety valve	f.C.							
Safety valves Safety valve		: : :		: : : :	: : :		1:	m : :
Safety valves Safety valve	0,3							
Safety valves Color Colo		: : :		: : : :			1:	::
D.A.R. P.M.R. Wabash & B. W.P. Q.O.R. Tem. G.L.C.	H.						10	2100
Safety valves Safety valve	O.C.	: : :	: :::	: : :				
D.A.R. P.M.R. Wabash & B. & Y. Q.O.R. Tem.	\$0.E							62
D.A.R. P.M.R. Wabash & B. & Y. Q.O.R. Tem.	F. C. S.							
D.A.R. P.M.R. Wabash & B. W.P. Q.O.R. Safety valves C. W. P. W.P. Q.O.R. Sanders C. W. P. W.P. W.P. W.P. W.P. W.P. W.P.				: : :			:	
D.A.R. P.M.R. Wabash & B. W.P. Q.O.R. Safety valves C. W. P. W.P. Q.O.R. Sanders C. W. P. W.P. W.P. W.P. W.P. W.P. W.P.	Tem							
Safety valves				: : :			:	
Safety valves Safety valve	.0.F							00 :
Safety valves. Safety valves. Synder valves. Synder valves. Synder valves. Stable		: : :		: : :				
Safety valves Safety valves Sanders Sanders Sympters Sympters Sympters Sympters Sympters Sympters Sympters Stab police Stab po	E.N.							26
Safety valves Safety valves Sanders Sanders Sanders Sanders Sanders Sanders Sanders Stapholts St	8-8				: : : :			
Safety valves. Sanders Sanders Spings or spring rigging Sturb lose Staybolts	Higi							22
Safety valves. Samelers Spinders Springs or spring rigging Squirt has or spring rigging Staybolts Staybolt	F-%							
Safety valves. Sanders Spring rigging Squirt has or spring rigging Staybolts	lsh			: : :	: : : 	: : : :	-	17 17 2
Safety valves. Sanders Spring rigging Squirt has or spring rigging Staybolts	Vabe							
Safety valves. Sanders Spring rigging Squirt has or spring rigging Staybolts	R.			: : :	: : : :	: : : : -	07	0,-0
Safety valves. Samelers Spinders Springs or spring rigging Squirt has or spring rigging Staybolts Staybolt	M.							65
Safety valves. Sanders Sanders Springs or spring rigging. Springs or spring rigging. Staybolts. Staybolts. Staybolts. Staybolts. Staybolts. Staybolts. Thurst or spring rigging. That so real real rigging. Thurst, ender. Trucks, ender. Valve motion. Water blass, fittings or shields.	P4				: : : :		-	
Safety valves. Sanders Sanders Springs or spring rigging. Springs or spring rigging. Staybolts. Staybolts. Staybolts. Staybolts. Staybolts. Staybolts. Thurst or spring rigging. That so real real rigging. Thurst, ender. Trucks, ender. Valve motion. Water blass, fittings or shields.	A.F							60
Safety valves. Sanders Springs or spring rigging Squirt hose Staybolts Staybolts Stram piles broken Steam piles Steam piles Steam piles Tanks or tank valves Steam valves Tanks or throttle rigging Throttle rot throttle rigging Trucks, engine or trailing Trucks, engine or trailing Water bar or combustion flues Water bar or combustion flues Water glass, fittings or shields Wiscellancous, signal appliances, (hand) Fire protective appliances comotives inspected, found defective	D.							
Safety valves. Sanders Springs or spring rigging Squirt hose Staybolts Staybolts Stram piles broken Steam piles Steam piles Steam piles Tanks or tank valves Steam valves Tanks or throttle rigging Throttle rot throttle rigging Trucks, engine or trailing Trucks, engine or trailing Water bar or combustion flues Water bar or combustion flues Water glass, fittings or shields Wiscellancous, signal appliances, (hand) Fire protective appliances comotives inspected, found defective						rake		
Safety valves. Sanders Springs or spring rigging Squirt hose Staybolts Staybolts Stram piles broken Steam piles Steam piles Steam piles Tanks or tank valves Steam valves Tanks or throttle rigging Throttle rot throttle rigging Trucks, engine or trailing Trucks, engine or trailing Water bar or combustion flues Water bar or combustion flues Water glass, fittings or shields Wiscellancous, signal appliances, (hand) Fire protective appliances comotives inspected, found defective						: : <u>.</u>		
Safety valves. Sanders Springs or spring rigging Squirt hose Staybolts Staybolts Stram piles broken Steam piles Steam piles Steam piles Tanks or tank valves Steam valves Tanks or throttle rigging Throttle rot throttle rigging Trucks, engine or trailing Trucks, engine or trailing Water bar or combustion flues Water bar or combustion flues Water glass, fittings or shields Wiscellancous, signal appliances, (hand) Fire protective appliances comotives inspected, found defective						ate		
Safety valves. Sanders Springs or spring rigging Squirt hose Staybolts Staybolts Stram piles broken Steam piles Steam piles Steam piles Tanks or tank valves Steam valves Tanks or throttle rigging Throttle rot throttle rigging Trucks, engine or trailing Trucks, engine or trailing Water bar or combustion flues Water bar or combustion flues Water glass, fittings or shields Wiscellancous, signal appliances, (hand) Fire protective appliances comotives inspected, found defective								
Safety valves. Sanders Springs or spring rigging Squirt hose Staybolts Staybolts Stram piles broken Steam piles Steam piles Steam piles Tanks or tank valves Steam valves Tanks or throttle rigging Throttle rot throttle rigging Trucks, engine or trailing Trucks, engine or trailing Water bar or combustion flues Water bar or combustion flues Water glass, fittings or shields Wiscellancous, signal appliances, (hand) Fire protective appliances comotives inspected, found defective						adg		
44. Safety valves 45. Sanders. 46. Springs or spring rigging. 47. Squirt hose 48. Staybolts. 49. Staybolts broken. 49. Steam pipes. 51. Steam valves. 52. Steam pipes. 53. Tanks or tank valves. 54. Telltale holes. 55. Throttle or throttle rigging. 56. Trucks, engine or trailing. 57. Trucks, engine or trailing. 58. Valve motion. 59. Washout plugs. 60. Water plas or combustion flues. 61. Water glass, fittings or shields. 62. Wheels. 63. Miscellaneous, signal appliances (hand). 64. Fire protective appliances. 65. Locomotives inspected. 66. Locomotives defective.								
44. Safety valves. 45. Sanders. 46. Springs or spring rigging. 47. Squirt hose. 48. Staybolts. 49. Staybolts. 50. Steam pipes. 51. Steam valves. 52. Steps. 54. Telltale holes. 55. Throttle or throttle rigging. 56. Trucks, ender. 57. Trucks, ender. 58. Washout plugs. 60. Water bar or combustion flug. 61. Water bar or combustion flug. 63. Miscellaneous, signal appliant. 64. Fire protective appliances. 63. Locomotives inspected. 64. Locomotives defective. 65. Locomotives defective. 66. Locomotives defective.						ls		٥
44. Safety valves. 45. Sanders 46. Springs or spring rigging. 47. Squirt hose. 48. Staybolts. 49. Staybolts broken. 50. Steam pipes. 51. Steam valves. 52. Steam pipes. 53. Tanks or tank valves. 54. Telltale holes. 55. Throttle or throttle rigging. 56. Trucks, engine or trailing. 57. Trucks, tender. 58. Valve motion. 58. Valve motion. 59. Washout plugs. 60. Water plar or combustion. 61. Water glass, fittings or sl. 62. Wheels. 63. Miscellaneous, signal ap. 64. Fire protective appliance. Locomotives defective. Locomotives defective.				ng.		nielc plia		ctiv
44. Safety valves 55. Sanders 65. Springs or spring rigg 64. Straybolts 65. Staybolts 65. Steam pipes 65. Steam pipes 65. Tranks or tank valves 65. Throttle or throttle of 65. Throttle or throttle of 65. Throttle or throttle 66. Water bar or combus 61. Water glass, fittings 63. Miscellaneous, signal 64. Fire protective applies 64. Coomotives inspected 65. Locomotives defective 66. Percent inspected 67. Locomotives defective		ng .		igg:		or sk		defe
44. Safety valves 45. Sanders 46. Springs or spring 47. Squirt hose 48. Staybolts 50. Steam pipes 51. Steam valves 53. Steam pipes 54. Tellale holes 55. Throttle or throt for throt f		198		lves tle 1		ngs gral		ed
44. Safety valves 45. Sanders 46. Springs or spr 47. Squirt hose 48. Staybolts 49. Staybolts br 50. Steam pipes. 51. Steam valves 52. Steps 53. Tanks or tank 54. Telltate holes 55. Throttle or ti 56. Trucks, engin 57. Trucks, tende 56. Water bar or 60. Water plars, f 61. Water glass, f 62. Wiscellaneous 63. Miscellaneous 64. Fire protectiv 64. Fire protectiv 65. Locomotives inspected 66. Fire protective 67. Locomotives defendences 68. Miscellaneous 69. Water glass, f 69. Wate		in g	ken	k va	S	ittii , si		ecteria for
44. Safety va 45. Sanders 46. Springs or 47. Squirt ho 48. Staybolts 48. Staybolts 50. Steam pit 51. Steam va 52. Tanks or 54. Telltale h 55. Trucks, et 56. Trucks, et 57. Trucks, et 57. Trucks, et 57. Trucks, et 60. Water pla 60. Water bla 60. Water pla 61. Wheels 63. Miscellanc 64. Fire prote 64. Fire prote 64. Fire prote 66. Fire prote 66. Fire prote 67. Fire prote 68. Miscellanc 69. Water pla 69. Water pla 60. Water pla 60. Water pla 60. Water pla 61. Wheels 63. Miscellanc 64. Fire prote		lves	bro bes.	tank oles or th	ende tion olug	ss, f		insp defe
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APPENDIX "D"

REPORT OF THE CHIEF FIRE INSPECTOR OF THE BOARD, CLYDE LEAVITT, FOR THE YEAR ENDING DECEMBER 31, 1928

During the year, the field organization of this department has been somewhat increased, in order more adequately to control burning operations on railway right of way, through the issuance of permits to burn. This increase was accomplished through the ex-officio appointment as local officers of the Board of an additional number of forest officers employed by Dominion and Provincial forest services. The field staff of the department totals 174 at the end of the year.

RAILWAY FIRE PATROLS

Of 39,498 miles of railway in Canada subject to the Board's jurisdiction, 13,426 miles or 34 per cent, is classified as running through forested territory. Of this, special patrol by selected members of section crews is prescribed on 5,206 miles; special patrol by special men on velocipedes on 783 miles, and special patrol by special men on power speeders on 1,384 miles; foot patrol on 13 miles and special patrol on 109 miles of line under construction; total mileage subject to some form of special patrol by railway forces, 7,495 miles. This represents special attention to fire patrol by 806 selected members of section crews, 62 velocipede patrolmen, 53 power speeder patrolmen, and 6 special patrolmen on lines under construction,—a total of 927 special fire patrolmen on all lines. On 5,931 miles of forested territory where the fire hazard is not extreme, special fire patrol is not prescribed, the detection, reporting and extinguishing of fires being left to section forces and other regular employees, as a part of their regular duties.

FIRE STATISTICS

Railways subject to the Board's jurisdiction throughout Canada are reported as having caused 776 fires in territory classified as forested. These fires burned over a total of 11,787 acres with forest and other property loss valued at \$21,821. Of this area 1,696 acres were young forest growth, 171 acres merchantable timber and 615 acres slashing or old burn not restocking, while 9,305 acres were nonforest lands. Thus, the area of actual forest burned over was only 2,482 acres or 21 per cent of the total. The valuation of young forest and standing timber destroyed is \$4,101 or 18.8 per cent of the total damage; forest products consisting of poles, ties and cord wood to the value of \$320 or 1.47 per cent, and improved property in some form, valued at \$17,400 or 79.73 per cent of the total, was also destroyed.

Of the 776 fires attributed to the railways, 41.11 per cent were incipient, 18.32 per cent covered between one-fourth acre and ten acres each, while 10.57

per cent attained a size over 10 acres each.

Detail statistics by railways are shown in the accompanying tabulation; nother table follows, showing the distribution of fires attributed to railways, between locomotives and employees. The former include fires attributed to tacks or ash pans of locomotives or other portable boilers. The employee fires are mostly cases where fires escaped from section forces burning right of way or old ties. It will be noted that fires attributed to locomotives comprise 76.68 per ent of the total number of railway fires, and that these fires burned 43.01 per

cent of the total area, causing 70.92 per cent of the estimated total loss in money value of forest and other property destroyed by railway fires. Employee fires account for 23.32 per cent of the number, 56.99 per cent of the area, and 29.08

per cent of the money value of damage done by railway fires.

Railway fires occurring east of Fort William, Port Arthur and Armstrong represent 16.49 per cent of the total number, and these fires burned over 3.37 per cent of the area and did 3.90 per cent of the total damage attributed to railway fires. Most of the fire damage occurred in British Columbia and Alberta.

In addition to the foregoing, there were reported 263 fires burning in ties in the track, of which 168 occurred on the Canadian National Railway Atlantic Region; 24 on Canadian National Railway Central Region; 7 on Canadian National Railway Western Region; 62 on Canadian Pacific Railway Western Lines; one on Canadian Pacific Railway Eastern Lines and one on the Algoma

Central and Hudson Bay Railway.

One hundred and ten fires, originating within 300 feet of track in forested territory, are attributed to known causes other than the railway. Of these fires 43 are charged to campers and travellers, 36 to settlers and 31 to other known causes. Thirty-eight of these fires were incipient; 50 burned from one-fourth acre to 10 acres each; and 22 burned more than 10 acres each. These fires burned over 435 acres of young forest growth, 29 acres of merchantable timber, 300 acres of slashing or old burn not restocking, and 2,064 acres of non-forest land, with total damage to forest and other property estimated at \$2,819.

Fires of unknown origin originating within 300 feet of track total 34, burning over 1,267 acres, with forest and other property loss valued at \$3,276.

Of this, the forest valuation accounts for \$1,811.

Thus, all fires reported as having originated within 300 feet of track in forested territory, due to all causes, total 920, burning an area of 15,882 acres of forest and non-forest land, with total estimated damage of \$27,916.

FIRE-GUARD REQUIREMENTS

In accordance with the fire-guard requirements, 5,632 miles of fire-guards were constructed or maintained in fenced grazing and wild lands, in non-forested sections of the Prairie provinces, as follows:-

Canadian National Railways 2,227 miles; Canadian Pacific Railway, 3,367 miles; Edmonton, Dunvegan and British Columbia Railway 16 miles; Great

Northern Railway, 22 miles.

FIRE PROTECTIVE APPLIANCES ON LOCOMOTIVES

During the fire season of 1928 officers of the Fire Inspection Department inspected fire protective appliances on 3,911 locomotives operating through forested territory. Of this total, the fire protective appliances on 97 locomotives or 2.48 per cent were found to be in a defective condition.

SUMMARY of Reports on Fires in Forest Sections originating within 300 feet of track along Railway Lines subject to the jurisdiction of the Board of Railway Commissioners for Canada, Season of 1928

Totals	300 257 28 118 118 44 44 44 3719 3719 825 825 825	776	1,696 171 615 9,305	11,787	3,909 192 320 17,400 21,821
Miscellaneous	101 0 101	6	39	39	100
Great	16 16 16	17	· · · · · · ·	60	
Edmonton, Dunvegan and British Columbia	111 111 28 28 28 28 28 28 39	94	499	6,372	\$ 609 3,102 4,026
Algoma Central and Hudson Bay	ଶର ଷର	4	883	105	69
Canadian National (Western Region)	117 135 11 9 9 55 10 126 170	317	945 42 437 1,976	3,300	\$ 2,076 54 6,708 \$ 8,838
Canadian National (Central Region)	121 121 121 121 121 121 121	2.5 4.0	25 6 6 6 13	50	\$ 152 120 \$ 272
Canadian National (Atlantic Region)	14 7 7 6 6 41 13	27	19	33	\$ 42 %
Canadian Pacific (Western Lines)	128 70 14 11 11 129 129 171	215	176 109 183 1,214	1,682	\$ 963 138 7,004 \$ 8,105
Canadian Pacific (Eastern Lines)	110 211 111 112 214 423 443 66	59	32 88 160	203	\$ 67 5 66 88 138
	Fires of Railway Origin Number by Causes— Locomotive, Class A fires Locomotive, Class B fires Locomotive, Class A fires Locomotive, Class B fires Employees, Class A fires Employees, Class B fires Fireployees, Class B fires Total, Class A fires Total, Class A fires Total, Class B fires Total, Class B fires	Total all railway fires	Areas burned (acres)— Young forest growth. Merchantable timber. Slashing or old burn. Other classes of land.	Total	Value of property destroyed— Young forest growth. Standing timber. Forest products. Other property. Total.

SCMMARY of Reports on Fires in Forest Sections originating within 300 feet of track along Railway Lines subject to the jurisdiction of the Board of Railway Commissioners for Canada, Season of 1928—Concluded

Totals	22 12 12 14 14 14 14 15 16 16 17 16 16 16 16 16 16 16 16 16 16 16 16 16	110	435 29 300 2,064	2,828	\$ 1,837 84 638 260 260 \$ 2,819
Miscellaneous		-	5	2	
Great		1			
Edmonton, ton, Dunvegan and British Columbia	Ø	15	276	1,599	431
Algoma Central and Hudson Bay	111 811 88	50	60 60 60	00	01 01
Canadian National (Western Region)	944 Hrr8988680	27	120 29 174 383	206	\$ 1,017 84 225 \$ 1,326
Canadian National (Central Region)	48 %5 1881821	21	4 22	30	\$ 300
Canadian National (Atlantic Region)	ed == eo	က			
Canadian Pacific (Western Lines)	7021 L 0881 L 908	19	30	133	46 35 81
Canadian Pacific (Eastern Lines)	44 1 1 1 1 1 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2	18	348	350	* 41
	Known Causes Other Than Rallway Number of Causes— Campers and travellers, Class A. Campers and travellers, Class B. Campers and travellers, Class C. Campers and travellers, Class C. Settlers, Class A. Settlers, Class B. Settlers, Class C. Other known causes, Class B. Other known causes, Class C. Total, Class A. Total, Class A. Total, Class C.	Total of other known causes	Areas burned (acres)— Young forest growth. Merchantable timber. Slashing or old burn. Other classes of land	Total	Value of property destroyed— Young forest growth. Standing timber Forest products. Other property. Total.

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FIRES OF UNKNOWN		Total	cres gro tir d b	tal.	gro gro	ts.	tal.
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	uml Cla Cla		reas burned (acres)— Young forest growth. Merchantable timber. Slashing or old burn. Other classes of land.		Value of property destroyed— Young forest growth Standing timber	For	
	Number—Class A Class B Class C		Areas burned (acres)— Young forest growth Merchantable timber Slashing or old burn Other classes of land		A	-0	-
94	15237						

(a) Includes Fredericton and Grand Lake Coal and Railway; New Brunswick Coal and Railway; Dominion Atlantic and Quebec Central Railways.

(c) Includes Halifax and South Western Railway and portions of former Canadian Government Railways east of Riviere du Loup and Monk, Que.

(d) Includes Protions of former Canadian Government Railways west of Riviere du Loup and Monk, Que., and east of Armstrong, Ontario, and excludes Hudson Bay Railway.

(f) Includes Transcontinental Railway west of Armstrong, Ontario, and excludes Hudson Bay Railway.

(f) Includes following lines: Algona Eastern: Altantic, Quebec and Western and Quebec Oriental; Temisconata and White Pass and Yukon.

Nors.—No fires were reported during 1928 within 300 feet of track in forest sections along the following lines: Cumberland Railway and Coal Co.; Maine Central. Quebec Central; Quebec, Montreal and Southern and Vancouver Harbour Commissioners Ter-

minal Railway.

Class A fires are those which cover an area less than one-fourth acre, and do no damage.

Class B fires are those which cover an area of one fourth acre to ten acres.

Lines subject to the jurisdiction of the Board, season of 1928; showing statistics of fires attributed to locomotives and employees respectively. SUMMARY of Reports of Fires of Railway Origin in Forest Sections originating within 300 feet of track, along Railway

		The same of the sa															
		Nu	umbero	er of Fires		Ħ	Forest Land Burned	d Burne	T	Non-f	Non-forest	Damage	Damage		Grand Totals	Totals	
Cause of Fire		Class		T. 1040	Domocount	Acros	Down oce	Dam-		ומוומ ו	naura	Forest Other	Other	Area	33	Damage	age
	A	B	0	10191	lotal rercent Acres rercent	Acres	r er cent	2 7 2 2	rer cent	Acres	Acres Per cent	* TOTACES	s iopera	Acres 1	Acres Per cent	49	Per cent
		The state of the s														1	0
Locomotives Employees	300	257	44	595	76.68	1,334	38.51	1,686 2,415	58.89	3,736	59.85	315	3,616	5,070 6,717	56.99 6,346	6,346	29.08
Totals	319	375	82	2776	100.00	2,482	100.00	4,101	100·00 2,482 100·00 4,101 100·00 9,305 100·00	9,305	100.00	320	17,400	17,400 11,787 100.00 21,821	100.00	21,821	100.00

Summary of Reports of Fires in Forest Sections originating within 300 feet of track along Railway Lines subject to the jurisdiction of the Board, season of 1928; showing by provinces the number of fires, areas burned and value of property destroyed, by classified causes.

Province	R	Fires ailway	s of Origin	F	Known other Raily	than		Unkn Cau	
	No.	Acres	Value	No.	Acres	Value	No.	Acres	Value
British Columbia. Yukon Territory.	398 4	4 35 116 335 489 968 8,060 1,747 33 11,787	\$ 2 347 185 458 234 2,725 4,378 13,492 21,821	27 1	8 380 89 208 1,960 181 2 2,828	338 643 141 951 540 206		21 45 1,201 1,267	\$ 6 870 2,400 3,276

INSPECTIONS of Locomotive Fire-protective Appliances, 1928, by Fire Inspection Department, B.R.C.

Railway	Province	Number inspected	Number defective	Per cent
C.P.R. (including Fredericton & Grand Lake Coal & Railway Company) C.P.R. (including Quebec Central Railway). C.P.R.	New Brunswick Quebec Ontario	73 282 919	4	5.4
C.P.R.	Prairie Provinces British Columbia	99 254	12 5	12.1
C.N.R.	Totals	1,627	26	1.6
C.N.R. C.N.R. C.N.R. C.N.R. C.N.R.	New Brunswick Quebec Ontario Prairie Provinces British Columbia	203 258 924 461 76	3 4 14 27 1	1 · 48 1 · 58 1 · 51 5 · 86 1 · 32
	Totals	1,986	49	2.47
Maritime Coal, Ry. & Power Co	Nova Scotia Nova Scotia Nova Scotia New Brunswick New Brunswick and	4 9 3 2	2	100.00
Atl. Que. & Wes. & Que. Oriental	QuebecQuebec and Ontario	11 6 4 18		
algoma Central. Algoma Eastern. Blue Diamond Coal Co	Ontario	65 17 5	4	80.00
reat Northern.	AlbertaBritish ColumbiaBritish ColumbiaBritish Columbia	60 5 63	12 1 3	20.00 20.00 4.76
- 333 30 1 44504 1004100,	and Yukon	26		
Totals All Bailways	Totals	298	22	7.38
Totals All Railways		3,911	97	2 · 48

APPENDIX "E"

RECORD BRANCH

List of Cases Appealed to the Supreme Court of Canada, from February 1, 1904, to December 31, 1928

700 N	Subject	Decision
File No.	Nuo juot	
643	Montreal Terminal Ry. vs. Montreal Street Ry., Pius IX Ave., upon question	
1455	of jurisdiction	Allowed.
	Lot 13, Con. 7, Twp. of Thorah. James Bay Ry. vs. G.T.R. crossing Belt Line Spur, Question of Law James Bay Ry. vs. G.T.R. crossing Belt Line Spur, Question of Law	Dismissed.
1492 383	Ottawa Electric Ry, and City of Ottawa vs. Canada Atlantic Ity., 76 Dank	Dismissed.
1621	St. Subway, Ottawa. Question of Law	D ADMINISTRA
	over Don Improvement and tracks of G.I.R. and C.F.R., Polonto- Question of Jurisdiction	Dismissed.
589	Tunindiation	Digititioneu.
C. 1680	Forey Terminal Ry and W. E. & L.S. R. Ry, crossing in I WD, of Sandwich	Dismissed.
C. 1309 689	Ont. Question of Law. Robinson vs. G.T.R. Two-cent rate. Question of Law. C.P.R. vs. G.T.R. re branch line at London, Ont. Question of Jurisdiction.	Dismissed.
1497	T. D. Robinson vs. C.N.R., Spur at Winnipeg. Question of Jurisdiction	Allowed.
9527 C. 1419	Ontario Department of Agriculture vs. G.I.R. re station at vinerand, Ont	Diemissed
C. 3322	Be Town to Vieduct Appeal of C.P.R. Co. on Question of Law	Dismissed.
C. 4897	Re fencing and cattleguards, Order 7473, Appeal of C.N.R. upon question of jurisdiction	Allowed.
C. 4492 C. 3378	-f T awa	. I VV ILIILII CL VV II .
C. 2545	City of Ottawa and County of Carleton re Richmond Road Viaduet. Ques	Distillancu.
13079	CTD and CNOR we entir in Two of Carporo, Unit, Question of	Dismissed.
C. 3269 1319	Jurisdiction G.T.R. vs. British American Oil Cos., re oil rates. Question of Law G.T.P.R. vs. City of Fort William, Ont., re location. Question of Juris	
11965	diction Overtion of Jurisdiction	Allowed.
15580	Clover Bar Coal Co. and Wm. Humberstone vs. G.T.P. and the Clove Bar Sand and Gravel Co. Question of Jurisdiction	Dismissed.
12682	Regina Rates Case. Question of Law	Dismissed.
17963 C. 3269	IC P R as Rritish American Ull Companies. Onestion of Julistiction	. Distillioneca.
15530 $15530 \cdot 1$	G.T.R. and C.P.R. vs. Canadian Oil Companies. Question of surfscribes	I. IS RIMITED TO THE
20062 27095	Inviduation	. Disimissou.
1487 18578	CNR www A Toylor Jurisdiction	Dismisseu.
19435 14329 - 9	G.T.R. vs. City of Edmonton. Question of Law	d
23009	Maisonneuve Ry. Jurisdiction	Allowed.
21428 12021 · 70	G.T.R. vs. Hepworth Silion Pressed Brick Co. Question of Law	144
9437·153 Ct. 3935	Jurisdiction	Dismissed. Dismissed.
16171	Ingersoll Tel. Co. and others vs. Bell. Tel. Co. Question of Law	Dismissed. Withdrawn.
27524 13622	2 G.N.W. Telg. Co. submit for opinion of Court, a question of law involve	
27840	in matter of General Order No. 162 Gov't of Manitoba and J. S. Ashdown Hardware Co., re 15% increase	in
2698	freight rates. Jurisdiction. C.P.R. vs. Dept. of Public Works for Ontario, re crossing in Twp. of Kir	k- Withdrawn.
11118	patrick. Question of Law B.C. to have access over brid	pre
	at Victoria Harbour. Jurisdiction	Abandoned.

List of Cases Appealed to the Supreme Court of Canada, from February 1, 1904, to December 31, 1928—Concluded

File No.	Subject	Decision
28439	Jurisdiction	Aboudous
28950	City of Toronto vs. Toronto Terminal Ry, re pressure pines under Bay	
C. 3378	The state of the s	
C. 2987	rates. Question of LawOttawa Elec. Ry. against Order of the Board disallowing proposed increase	Dismissed.
21404 · 6	in passenger rates. Question of Jurisdiction Board submits stated case for the opinion of the Court on question of juris-	Allowed.
	diction in matter of British Columbia Elec. Ry. Co's application for increased rates.	Abandoned.
28140		
	directing C.P.R. Co. to provide and construct an overhead arossing	
	at its expense between Lots 6 and 7, Con. 1, Twp. of Eton, Ont. April 1st, 1922.	
	(Appeal allowed with cost.) (Question answered in the negative.)	Allowed
30381	V.V. & E. Ry. & Nav. Co. vs. Vancouver Harbour Commissioners and the C.N. Rys. from Order of the Board No. 31647, dated Oct. 15th, 1921.	122101104
31351 · 1	Question of Jurisdiction	Dismissed.
01991.1	the Board dated May 23rd, 1924, in matter of Luscar Collieries, Ltd.	
32812 · 1	vs. N. S. McDonald and the C.N. Rys	
	and Manitoba, from General Order of the Board No. 408, dated Oct. 14th, 1924, re Crow's Nest Pass Rates	Allowed.
34285	Appeal of the Canadian National Railway Company against Orders of the Board numbered 39348, 39349 and 39542 in the matter of through rates	
•	via Saint John and Sainte Rosalie Gateways. Appeal allowed in respect of movements through Saint John and dismissed in respect of movements.	
		Allowed (partly)

SUMMARY

Dismissed. Allowed Abandoned Withdrawn																				31 11 5	1
	7	20	te	.1															~	 50	

List of Appeals to the Governor in Council, February 1, 1904, to December 31, 1928

File No.	Subject	Decision
1781 12992 2030 17716 18787 3452·30 12912 17040 C. 3322 12021·70 16177 19024 17716·10	Re Tariffs of certain Yukon Railways	Dismissed. Dismissed. Referred back. Dismissed. Dismissed. Referred back. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Withdrawn. Dismissed. Dismissed. Dismissed.

List of Appeals to the Governor in Council, February 1, 1904, to December 31, 1928—Concluded

File No.	Subject	Decision
21418 21660 26169 17040 27693 27840 28439-3 28230 29040-2	City of Prince George, B.C. re location of G.T.P.R. station between Oak and Ash Streets. C.N.O.R. Co. vs. Twp. of Loughboro, Ont. C.P.R. and C.N.R. Cos. re interswitching at Eastern Public Cattle Market, Montreal, Que. C.P.R. re Lambton to Weston Spur. (2nd appeal). City of Hamilton vs. G.T.R. Co. re passenger service on Northern & N.W. Bch. between Hamilton and Burlington Beach and Town of Burlington, Ont. Winnipeg Board of Trade re 15% increase in freight rates. Town of St. Lambert, Que., re increase in rates on the M. & S.C. Ry. City of Hamilton, Ont. re Kinnear Yard. National Dairy Council of Canada on behalf of Canadian Association of	Dismissed. Dismissed. Abandoned. Referred back. Abandoned. Dismissed. Dismissed. Referred back.
C. 955 30434	Ice Cream Manufacturers re classification of ice cream	Referred back. Dismissed.
29996	City of Toronto, Ont. against General Order No. 308, authorizing a general increase in freight rates.	Referred back.
C. 955	City of Toronto, Ont. against Judgment of the Board dated April 18th, 1921, providing for increase in Bell Telephone rates	Referred back.
23092 · 2	C.N.Q. Ry. Co. against Order of the Board No. 31312, re crossing, Pointe aux Trembles Ry. at Pointe aux Trembles, Que	Referred back.
30380 30380 · 13	Appeal of the Corp. of City of Toronto, Ont. against the Ruling of the Board (General Order No. 327) with respect to express rates	
17112 • 27	July, 1920. Applic. of the Dominion Millers Assn. from the Judgment of the Board dated March 6th, 1922, in matter of flour arbitraries over wheat for	Referred back.
29040 · 2	export Appeal of the National Dairy Council of Canada on behalf of Canadian Ice Cream Manufacturers from Board's Order No. 28883, re express class- ification of ice cream.	Dismissed.
30686 · 2	Appeal of the Provinces of Alberta and British Columbia from Order of the Board dated June 30th, 1922 (General Order No. 366), in the matter	Referred back.
30380 · 13	of railway tolls. National Dairy Council of Canada against ruling of the Board of Nov. 21st, 1922, re 20% increase in cream rates.	Allowed.
3025 - 16	N. St. C. & T. Ry. Co. against Order of the Board No. 33190, Dec. 1st, 1922, re relocation of its line on Oak and Merritt Sts., Merritton, Ont.	Withdrawn.
32812 • 1	Governments of Alberta, Saskatchewan and Manitoba from General Order of the Board No. 400, Oct. 14th, 1924, re Crow's Nest Pass Rates. Allowed until decision of the Supreme Court. P.C. 2220 and P.C. 886.	Allowed.
9754 - 22	Canadian Shippers' Traffic Bureau against Order of the Board No. 36646, dated July 27th, 1925, in matter of a claim against the G.T.R. Co. for	
30686 · 2	refund of alleged freight overcharges. (P.C. 711.). Appeal of the Governments of the Provinces of British Columbia, Alberta and Saskatchewan re rates on grain and flour moving to the Pacific Coast for export	Dismissed. Referred back.

SUMMARY

Dismissed.		
Referred ba	, 	

	otal	

APPENDIX "F"

LIST OF GENERAL ORDERS AND CIRCULARS OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1928 GENERAL ORDER No. 456

In the matter of the obligation of the carriers to forward traffic via the route giving the cheapest rate where no routing is specified by the shippers.

File No. 26602.72

THURSDAY, the 8th day of March, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. C. Lawrence, Commissioner. Hon. Frank Oliver, Commissioner.

Upon hearing the matter at the sittings of the Board held in Ottawa, February 21, 1928, in the presence of representatives of the Canadian Lumbermen's Association and the Canadian Freight Association, and what was alleged,—

The Board hereby orders: That, with respect to freight traffic moving between points within Canada, if there are no through rates in effect to destination, shipments must be forwarded via the route which will give the lowest combination of local rates, or charges must be based thereon if traffic is forwarded via other routes.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 457

In the matter of the application of the Canadian Freight Association, under Section 322 of the Railway Act, 1919, for approval of Supplement No. 4 to Canadian Freight Classification No. 17, on file with the Board under file No. 33365.75.

Saturday, the 24th day of March, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. C. Lawrence, Commissioner. Hon. Frank Oliver, Commissioner.

Whereas notice has been given by the Canadian Freight Association in the Canada Gazette, as required by section 322 of the Railway Act, 1919, and copies of the said supplement were furnished to the mercantile organizations enumerated in the General Orders of the Board Nos. 271, 348, and 353, with the request that their objections, if any, be filed with the Board within thirty days;

Upon consideration of the said objections, and upon hearing the application at the sittings of the Board held in Ottawa, February 21, 1928, the Canadian Freight Association, Canadian National Railways, Canadian Pacific Railway Company, Canadian Manufacturers' Association, Toronto and Montreal Boards of Trade, Gutta Percha and Rubber, Limited, Dunlop Tire and Rubber Goods Company, Limited, The Goodyear Tire and Rubber Company of Canada,

Limited, General Steel Wares, Limited, The Sheet Metal Products Company of Canada, Limited, operating The Thos. Davidson Manufacturing Company, Limited, McCleary Manufacturing Company, The Happy Thought Foundry Company, and MacDonald Manufacturing Company, Limited, being represented at the hearing, and what was alleged; and upon the report and recommendation of its Chief Traffic Officer,—

The Board orders: That the said Supplement No. 4 to the Canadian Freight Classification No. 17 be, and it is hereby, approved, subject to the following changes and additions, namely:—

Page	Item		L.C.L.	C.L.
2	16 17 18	Change to read— Bars, Glass Setting: Metal, other than iron or steel, in barrels, boxes or crates Iron or steel, in barrels, boxes or crates Shingles, Iron or Steel, N.O.I.B.N.: Proposed change in these items disallowed, and to be deleted	2 3	
4	6 7 8	from Supplement. Change to read— Carriers, Second-hand Empty, Returned: Boxes or Cases, wooden: Beer, Biscuit, Bread, Butter, Catsup, Confectionery, Cracker, Egg, Fish, Jam or Jelly, Mineral Water, Pickle	3	
4	10	Change to read— Carriers, Second-hand Empty, Returned: Crates, Poultry Shipping: S.U. K.D., flat or folded flat.	1 3	
4	20	Change to read— Chemicals, Drugs or Medicines— Zinc Salts: Sulphate of Zinc: In glass or earthenware packed in barrels or boxes, O.R.B. In double bags. In fibre or metal cans or cartons in barrels or boxes.	1 3 3	
6	14	In bulk in barrels or boxes. In bulk in barrels or boxes. In bulk in barrels or boxes, C.L., min. wt. 30,000 lbs Change to read— Dry Goods— Hats or Caps, other than Millinery, N.O.I.B.N.: In boxes. In trunks, metal strapped, or in trunks, in crates Add the following item, cancelling Item No. 60, page 103 of the	3	5
6	15 17	Classification— Electrical Appliances and Supplies— Batteries, Electric: Storage, Assembled: With Acid:	:	
8	10 11	In barrels, boxes or crates. In barrels, boxes or crates, C.L., min. wt. 24,000 lbs. Loose (see Note 2, Item 61, page 103 of Classification), C.L., min. wt. 24,000 lbs. Change to read— Grease: Axle or Lubricating: In metal cans completely jacketed. In kits, pails or tubs weighing not less than 20 lbs. each. In metal cans or in kits, pails or tubs, in boxes or crates. In barrels or boxes. In packages named, straight or mixed C.L., min. wt. 26,000	1 3 3 3	4 4
9	1	lbs Change to read— Groceries: Grease, Axle or Lubricating: In metal cans completely jacketed. In kits, pails or tubs weighing not less than 20 lb. each. In metal cans or in kits, pails or tubs in boxes or crates. In barrels or boxes. In packages named, straight or mixed C.L., min. wt. 26,000	1 3 3 3	
10	6	lbs Halters or Ties, Rope: This item to be added to both the Hardware and Harness and Saddlery Trade Lists.		5

Page	Item		L.C.L.	C.L.
10 10	7 13	Change to read— Hardware: Grease, Axle or Lubricating: In metal cans completely jacketed. In kits, pails or tubs weighing not less than 20 lb. each In metal cans or in kits, pails or tubs in boxes or crates. In barrels or boxes. In packages named, straight or mixed C.L. min. wt. 26,000 lb	1 3 3 3 3	5
11		Change Item No. 22, page 177 of Classification to read— Lumber— Cherry, Cocobolo, Ebony, Holly, Lignum-Vitae, Mahogany, Rosewood, Spanish Cedar, Teakwood and Walnut: Boards or Pieces & inch or less in thickness: In boxes, bundles or crates. In packages named, C.L., min. wt. 34,000 lb. Items Nos. 28 and 29, page 227 of the Classification to be cancelled and the following substituted therefor—	1	4
14		Rubber and Rubber Goods— Rubber Scrap (including old worn-out tires with or without metal base (see Notes 1 and 2) and old worn-out Clothes Wringer Rollers): In bags, bales or boxes. Loose or in packages, C.L., min. wt. 30,000 lb. Note 1.—In order to be entitled to the ratings provided for rubber scrap, shipments of old worn-out rubber tires must be described by shipper on bill of lading and shipping order as "Old worn-out rubber tires."	4	7
15	15	Note 2.—Old worn-out rubber tires each weighing 40 lb. or over will be accepted loose in less than carload quantities at the rating applicable on scrap rubber in bales. Snow Plow Attachments for Automobiles or Tractors: This item to be transferred to the Vehicle Parts, other than self-propelling vehicle parts, trade list.		

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 458

'n the matter of the General Orders of the Board Nos. 102 and 128, dated respectively February 17, 1913, and July 20, 1914, prescribing the "Regulations with respect to Railway Safety-Appliance Standards":

File No. 11654.28

TUESDAY, the 27th day of March, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Asst. Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. C. Lawrence, Commissioner. Hon. Frank Oliver, Commissioner.

Upon reading what has been filed on behalf of the Railway Association of Janada, and the report and recommendation of its Chief Operating Officer,—

The Board orders: That boarding cars without end platforms constructed r reconstructed subsequent to the first day of May, 1928, and used on railways wned or operated by companies within the legislative authority of the Parliament of Canada, be as set forth in the "Regulations with Respect to Railway

Safety-Appliance Standards" approved by the said General Order No. 102, dated February 17, 1913, with the following exceptions, namely:-

Running Boards-

Location: Full length of car, centre of roof. Outside metal roof cars shall have latitudinal extensions leading to ladder locations.

Number: All boarding cars, without end platforms, must have two (2) side doors.

Side-Door Steps-

Number: Two (2).

Dimensions: Standard side sill-step, as specified for "Box and Other House Cars."

Location: One under each side door.

Manner of application: Same as specified for "Box and Other House Cars."

Ladders-

Number: Four (4).

Roof-Handholds-

Location: One (1) over each ladder, on roof, in line with and running parallel to treads of ladder, not less than eight (8) inches nor more than fifteen (15) inches from edge of roof.

Manner of application: Roof-Handholds shall be securely fastened with not less than one-half (1) inch bolts with nuts outside and riveted over, or with not less than

one-half (1) inch rivets.

Side-Handholds-

Location. Horizontal—one (1) near each end on each side of car, not less than twenty-four (24) nor more than thirty (30) inches above centre line of coupler. Clearance of outer end of handhold shall be not more than eight (8) inches from end of car.

Side-Door Handholds-

Number: Four (4)—two (2) straight on each side of car each side of door.

Dimensions: Minimum diameter five-eighths (§) of an inch wrought iron or steel. Minimum clearance two (2), preferably two and one-half (21), inches.

Location: One (1) vertical handhold at each side of door from a point not less than thirty-six (36) inches above bottom of car to a point not more than six (6) inches above level of bottom of door.

Manner of application: Side-door handholds shall be securely fastened with not less than one-half (\frac{1}{2}) inch bolts with nuts outside and riveted over, or with not less than one-half (\frac{1}{2}) inch rivets.

Horizontal End Handholds-

Location: Same as specified for "Box and Other House Cars," except that one (1) additional end-handhold shall be on each end of cars with platform end-sills as heretofore described, unless car has door in centre of end. Said handhold shall be not less than twenty-four (24) inches in length, located near centre of car, not less than thirty (30) nor more than sixty (60) inches above platform end-sill.

Vertical End-Handholds-

Location: Same as specified for "Box and Other House Cars," except where boardingcar has door in centre of end, without platform, there shall be one (1) handhold on each side of door on door-post, from a point not less than thirty-six (36) inches above bottom of door to a point not more than six (6) inches above level of bottom of door.

Manner of application: Same as specified for "Box and Other House Cars."

Boarding cars equipped with end-doors will have the words "DANGER, No PLATFORM," stencilled on panel inside of end door.

Boarding Cars with Platforms-

Safety appliances on boarding cars equipped with platforms will coincide with safety appliances for caboose car with platform, or original design of car as equipped.

> H. A. McKEOWN, Chief Commissioner.

GENERAL ORDER No. 459

In the matter of the regulations for the transportation by freight of Explosives and Dangerous Articles, approved by the General Orders of the Board Nos. 203 and 204, dated respectively August 11, 1917:

File No. 1717.38.1.

FRIDAY, the 7th day of June, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Asst. Chief Commissioner.

Upon reading what is filed on behalf of the Bureau of Explosives, and the report and recommendation of the Assistant Chief Traffic Officer of the Board,-

It is ordered: that "Shipping Container Specification No. 14" of the said regulations be, and it is hereby, struck out and the following substituted therefor, namely:-

SHIPPING CONTAINER SPECIFICATION No. 14

(See paragraph 1531)

Boxes for use as outside containers of high explosives. Effective July 1, 1928 1. These boxes must comply with the following specifications:-

CONSTRUCTION

- 2. Must be made of good, sound white pine, or any wood of equal or superior strength, dry and well seasoned, and with no loose knots or knots liable to get loose in any part.
- 3. When sides, ends, tops, or bottoms are made of more than one piece, the pieces must be tongued and grooved and glued, and the joints in making up the boxes must be staggered.
 - 4. All lock and dovetail corner joints must be glued.
- 5. Nails driven through sides, tops, and bottoms into ends must be not greater than 3-inch centers for boxes not more than 12 inches in width, and at not greater than 4-inch centers for boxes of width greater than 12 inches.
- 6. Nails driven through tops and bottoms into sides must be at not greater than 6-inch centers. Nails through the top or bottom into sides are not required when thickness of sides is less than 7 inch.
- 7. Gauge of nails used shall be not less than the following sizes, depending upon the thickness of lumber into which they are to be driven:

3-penny into \$\frac{3}{6}\$ inch lumber.

4-penny into \$\frac{1}{16}\$ to \$\frac{1}{2}\$ inch lumber.

5-penny into \$\frac{1}{16}\$ to \$\frac{5}{6}\$ inch lumber.

6-penny into \$\frac{1}{16}\$ to \$\frac{1}{3}\$ inch lumber.

7-penny into \$\frac{7}{3}\$ inch or thicker lumber.

For example, nails driven through a 1/2 inch side into a 3/4 inch end must be 6-penny. Screws of equal efficiency may be used in place of nails.

8. When boxes are set up, the bottom and lids must fit evenly on the frame.

MARKING

9. Each box must be plainly marked with a symbol consisting of a rectangle, as follows:-

CRC-14

The letters and figures in this symbol must be at least ½ inch high.

This symbol shall be understood to certify that the package complies with all the requirenents of this specification.

When offered for shipment the package must also bear the wording prescribed by these

egulations for the particular article contained therein.

THICKNESS OF LUMBER

10. Thickness of lumber in the finished box must be not less than the following:-

10. (a) Box and contents not over 75 pounds gross weight:-

<u> </u>	Ends	Sides	Top and bottom
	inch	inch	inch
For nailed boxes For lock or dovetail corner boxes	7 8 1 2	121123	edit i pelitri

10. (b) Box and contents over 75 pounds but not over 140 pounds gross weight:-

· ·	Ends	Sides	Top and bottom
	inch	inch	inch
For nailed boxes For lock or dovetail corner boxes	11/8 5	unjen rojen	rojeo cojos

The thickness of the ends of nailed boxes of over 75 pounds gross weight may be reduced to a inch if they are cleated with two vertical cleats and two horizontal cleats not less than 17 inches wide and 8 inch thick, and in this case the sides, top, and bottom must extend over the cleats, and the nailing must be staggered, at least 40 per cent of the nails being driven into the ends and at least 40 per cent into the cleats.

ADDITIONAL NAILED AND CLEATED WOODEN BOX

11. (a) These boxes must be constructed and marked in accordance with paragraphs 2, 3, 8, and 9 of this Specification, and as follows:-

Boxes and contents not over 75 pounds gross weight:-

	Ends	Sides	Top and bottom	Cleats
	inch	inch	inch	
For nailed boxes with two vertical and two horizontal end cleats	3 8	3 8	3 8	½ by 1½

(b) Nails must be 5-penny and cement-coated, except for fastening cleats to ends where plain nails driven through and clinched may be used.

(c) Boxes must have two vertical and two horizontal cleats on each end, nails fastening cleats to ends being staggered. The sides, top, and bottom of the box must extend out

over these cleats. Cleats must be of ½ inch lumber 1½ inches wide.

(d) Sides, top, and bottom must be secured to ends with nails specified, driven into the cleats and not into the end boards. To determine the minimum number of nails to be used for fastening sides, top, and bottom to ends, divide the width of the sides, top, and bottom respectively in inches by 1\frac{3}{4}; for fastening cleats to ends, divide the length of cleat in inches by 1\frac{3}{4}; fractions greater than \frac{1}{4} in the results will be considered whole numbers.

ADDITIONAL LOCK CORNER BOXES

12. (a) These boxes must be constructed and marked in accordance with paragraphs 2, 4, 8, and 9 of the specification, and as follows:-

(b) When sides or ends are made of more than one piece, the pieces must be Lindermanjointed and glued. Tops or bottoms made of more than one piece must have pieces Linderman-jointed and glued or tongued and grooved and glued.

Boxes and contents not over 75 pounds gross weight:-

_	Ends	Sides	Top and bottom
For lock-corner boxes	inch	inch	inch

(c) Nails must be 5-penny and cement-coated.

(d) Tops and bottoms must be fastened to ends with nails, as follows:—To determine the minimum number of nails to be used for fastening top and bottom to ends, divide the width of the top and bottom, respectively, in inches by $1\frac{3}{4}$. Fractions greater than $\frac{1}{4}$ in the result will be considered whole numbers.

Tops and bottoms must be fastened to sides with nails, as follows:—Nails to be spaced approximately 6 to 8 inches apart.

ADDITIONAL LOCK CORNER WOODEN BOXES

- 13. (a) These boxes must be constructed and marked in accordance with paragraphs 2, 4, 8 and 9 of this specification, and as follows:—
- (b) When ends, sides, top or bottom are made of more than one piece, the pieces must be tongued and grooved and glued, and in addition, the joints of the ends must be secured with two or more corrugated fasteners spaced not greater than 8 inches on each joint, and not more than 3 inches from each end, and must extend through the wood approximately 80 per cent of its thickness.

Boxes and contents not over 35 pounds gross weight:-

_	Ends	Sides	Top and bottom
	Inch	Inch	Inch
For lock corner boxes.	7 16	7	1 6

Boxes and contents not over 65 pounds gross weight:-

	Ends	Sides	Top and bottom
	inch	inch	inch
For lock corner boxes	9	9	3 8

- (c) Nails must be cement-coated, must be 4-penny for the 35-pound box and 5-penny for the 65-pound box.
- (d) Tops and bottoms must be fastened to ends with nails as follows:—To determine the minimum number of nails to be used for fastening top and bottom to ends, divide the width of the top and bottom, respectively, in inches by 1½ inche for the 35-pound box and 1¾ for the 65-pound box. Fractions greater than ¼ inch in the result will be considered whole numbers

Tops and bottoms must be fastened to sides with nails as follows:—Nails to be spaced approximately 6 to 8 inches apart.

ADDITIONAL LOCK CORNER WOODEN BOX

- 14. (a) These boxes must be constructed and marked in accordance with paragraphs 2, 4, 8, 9 and 12 (d) of this specification, and as follows:—
- (b) When ends, sides, top, or bottom are made of more than one piece, the pieces must be tongued and grooved and glued, and in addition the joints of the sides and ends must be secured with three or more corrugated fasteners spaced not greater than 8 inches apart on each joint, and not more than 3 inches from each end. These corrugated fasteners must extend at right angles across the joint, have an effective penetration of approximately 80 per cent of the thickness of the wood, be driven with equal extension on either side of the joint, have a length sufficient to extend not less than 1½ inches across the joint, not be countersunk to exceed ½ inch, and must be driven alternately from each side of the face of the box. Pieces of lumber in the top or bottom of the ends of the box less than 2 inches in width are prohibited.

Box and contents not over 65 pounds gross weight:-

_	Ends	Sides	Top and bottom
	inch	inch	inch
For lock corner boxes	1/2	1/2	28

(c) Nails must be cement-coated and of 5-penny size.

S. J. McLEAN,
Assistant Chief Commissioner.

GENERAL ORDER NO. 460

In the matter of the application of the Canadian Shippers' Traffic Bureau, on behalf of the Star Lumber Company and others, for an Order disallowing, in tariffs governing diversion of carload traffic in transit, (1) the rule defining out of line haul; (2) rules which stipulate that the railway company and its connections will not assume any responsibility for failure to accomplish diversion; also for an Order requiring railway companies to make tariff provision for a reconsignment charge applicable to carload shipments moving between points within Canada, which have reached original billed destination, with benefit of the through rate applicable from point of origin to final destination.

File No. 26615.84.2

SATURDAY, the 16th day of June, A.D. 1928.

S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

Upon hearing the application, in part, at the sittings of the Board held in Toronto, November 16, 1927, in the presence of representatives of the applicant and the Canadian Freight Association, and what was alleged; and upon reading the written submissions filed, and the report of its Chief Traffic Officer,—

The Board Orders: That, effective not later than the 15th day of July, 1928, in all tariffs filed with the Board by railway companies subject to its jurisdiction, providing for diversion of carload traffic in transit, between Canadian points, there shall be incorporated a rule reading:—

"When requested by the owner of the property, or his representative, this railway company will make diligent efforts to locate the shipment and effect diversion in transit of carload traffic under the following conditions, but will not assume any responsibility for failure to accomplish diversion unless such failure is due to the negligence of its employees."

2. That the application to disallow the rule defining out of line haul; and for an Order requiring railway companies to make tariff provision for a reconsignment charge applicable to carload shipments moving between points within Canada, which have reached original billed destination, with benefit of the through rate applicable from point of origin to final destination,—be, and it is hereby, dismissed.

S. J. McLEAN,
Assistant Chief Commissioner.

GENERAL ORDER No. 461

In the matter of the General Order of the Board No. 458, dated March 27, 1928, amending the "Regulations with Respect to Railway Safety—Appliance Standards", as approved by the General Order of the Board No. 102, dated February 17, 1913.

File No. 11654.28.

FRIDAY, the 15th Day of June, A.D. 1928.

S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

Upon reading what is filed on behalf of the Railway Association of Canada, and the report and recommendation of the Chief Operating Officer of the Board,

It is Ordered: That the said General Order No. 458, dated March 27, 1928, be, and it is hereby, amended,—

(1) by inserting the words, "in which employees are transported", after the word "cars", and eliminating the words, "without end platforms", in the first line of the operative part of the order;

(2) by striking out the reference to ladders, being the last item on page 1

of the order; and

(3) by striking out the word and figure, "six (6)", in the sixth line of the item regarding vertical end-handholds, and substituting therefor the word and figure, "fifteen (15)".

S. J. McLEAN,
Assistant Chief Commissioner.

GENERAL ORDER No. 462

In the matter of Rules and Regulations governing the construction and filing of freight and passenger schedules with the Board, as published in Circular No. 204, approved by General Order No. 398, dated April 11, 1924.

File No. 606.

THURSDAY, the 20th Day of September, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. C. Lawrence, Commissioner.

Upon its appearing that the Interstate Commerce Commission has, in its Tariff Circular No. 20, prescribed certain symbols to indicate changes in rates or charges, rules, regulations or practices in freight tariffs, to become effective on October 1, 1928, which will be applicable with respect to international tariffs, and it being desirable that there should be uniformity of symbols in Canadian cariffs covering both movements wholly within Canada as well as to United States points,—

The Board Orders: That rule No. 22 of the said Circular No. 204 be made applicable to passenger tariffs and supplements thereto only; and that the fol-

lowing rule numbered 22-A be made applicable to freight tariffs and supplements thereto which may be filed with the Board on or after October 1, 1928:—

RULE 22-A

All freight tariffs and supplements thereto issued by railway companies in Canada shall indicate changes thereby made in existing rates or charges, rules, regulations or practices by the use of the following symbols, which shall be used for no other purpose:—

to denote increases.

▲ to denote reductions.

▲ to denote changes in wording which result in neither increases nor reductions in charges.

□ to denote reissued matter.

Explanation of such symbols must be published in the tariff or supplement in

which used.

When a change of the same character is made in all, or substantially all, rates in a tariff or supplement, or a page thereof, that fact and the nature of such change may be indicated in distinctive type at the top of the title-page of such issue, or at the top of each page, respectively, in the following manner: "All rates in this issue are increases," or, "All rates on this page are reductions, except as otherwise indicated."

In the latter case, a bold face dot " • " must be used to symbolize a rate

in which no change is made.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 463

In the matter of the General Order of the Board No. 403, dated June 6, 1924 requiring railway companies subject to the jurisdiction of the Board to install electric lights in the classification and marker lamps of all locomotive engines in service which are now, or in future may be, equipped with electric light installations; and General Order No. 436, dated December 15, 1926, suspending the said General Order No. 403 in so far as it relates to marker lamps, pending a rehearing by the Board.

File No. 6511.8

Wednesday, the 19th Day of September, A.D. 1928

S. J. McLean, Assistant Chief Commissioner. C. Lawrence, Commissioner.

Upon hearing the matter at the sittings of the Board held in Ottawa, January 18, 1928, in the presence of counsel for and representatives of the Railway Association of Canada, the Canadian Pacific Railway Company, Canadian National Railways, Brotherhood of Locomotive Firemen and Enginemen, and Brotherhood of Locomotive Engineers, and what was alleged; and upon reading the written submissions filed,—

The Board Orders:

1. That the said General Order No. 403 be, and it is hereby, amended by striking out the words "and marker" in the third line of the operative part c the order; also in the seventh and tenth lines thereof.

2. That in all cases in which a locomotive is electrically equipped, the back-up light, or centre lamp, on the back of the tender should be an electric light, of sufficient candle power to give light to the "man-hole" or "water-hole" on the tender and at the same time throw light on the track immediately at the rear of the tender, as well as at a distance behind it; and that such electric lights be installed on or before June 30, 1929.

> S. J. McLEAN, Assistant Chief Commissioner.

GENERAL ORDER No. 464

In the matter of the application of the Bureau of Explosives for an Order amending the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, paragraph 1553, as approved under the General Orders of the Board Nos. 203, 204, and 206.

File No. 1717.48

SATURDAY, the 20th day of October, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon reading what is filed in support of the application, and the report of its Assistant Chief Traffic Officer,-

The Board orders: That paragraph 1553 of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight be struck out and the following substituted therefor, namely:-

"1553. (a) Packing.—Dynamite must be made into cartridges consisting of a column of explosive completely inclosed in a shell made of strong paraffin paper. The size of the cartridge must not exceed 7 inches in diameter or 16 inches in length for dynamite containing not more than 30 per cent of nitroglycerin, or 4 inches in diameter or 8 inches in length for dynamite containing more than 30 per cent of nitroglycerin, or as follows:-

"(b) Dynamite may also be shipped when made into cartridges of not exceeding 5 inches in diameter or 10 inches in length. Each such cartridge shall be inclosed alone or with other cartridges in another paraffined paper shell and the completed cartridge dipped

"(c) Dynamite containing not to exceed 30 per cent of nitroglycerin may also be shipped when packed in strong bags containing not to exceed 124 pounds each, and in a box

"(d) Gelatin dynamite must be made into cartridges consisting of the column of explosive inclosed in a shell of strong paraffined paper; except that gelatin dynamites of 80 per cent strength and over may be shipped when packed in bulk in boxes that comply with paragraph 1554 (a), the paper lining used to be of double thickness throughout.

(e) Bags and the coverings of all cartridges must be strong and so treated that they

will not absorb the liquid constituent of the explosive.'

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 465

In the matter of the application of the Bureau of Explosives for an Order amonding the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, paragraph 1534, as approved under the General Orders of the Board Nos. 203, 204, and 206.

File No. 1717.50

FRIDAY, the 7th day of December, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon reading what is filed in support of the application, and the report and

recommendation of the Assistant Chief Traffic Officer of the Board,-

It is ordered: That paragraph 1534 of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight be amended by adding thereto the following sub-paragraph, namely:-

"(b) Black powder in compressed pellets (cylindrical blocks) 7 inch or more in diameter, may also be shipped when packed in strong paraffined paper cartridges not more than 12 inches long, enclosed in wooden boxes complying with specification No. 14 or 16, lined as prescribed by paragraph 1554 (a). Gross weight of package must not exceed 75 pounds."

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 466

In the matter of the application of the Bureau of Explosives for an Order amending the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, paragraph 1903, as approved under the General Orders of the Board Nos. 203, 204, and 206.

File No. 1717.49

Monday, the 10th day of December, A.D. 1928.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon reading what is filed in support of the application, and the report of the Assistant Chief Traffic Officer of the Board,-

It is ordered: That paragraph 1903 (a) of the Regulations for the Transportation of Explosives and Other Dangerous Articles of Freight be struck out and the following substituted therefor, namely:-

"1903. (a) When lading requiring 'Explosives' placards and car certificates, or 'Inflammable,' 'Corrosive Liquid,' 'Compressed Gas,' 'Poison Gas,' or 'Poisonous' placards is removed from cars, placards and car certificates must be removed by the party unloading the car, except that the party unloading a tank car bearing any of these placards may apply the 'Dangerous—Empty' placards as prescribed in the following paragraph:—

"All tank cars from which the lading protected by 'Inflammable,' 'Corrosive Liquid,' 'Compressed Gas,' or 'Poisonous' placards has been removed must be shipped without placards or be protected by displaying on each side and each end thereof a diamond-shaped placard bearing the words' Dangerous -Empty', e.c., as shown by cut (see note) appearing m this paragraph. The printing on all placards must be in black or on strong tag-board, white paper, or metal reversible placards, white in colour, and placards must measure 104 inches on each side. Tag-board placards must be securely tacked to wooden boards or inserted in holders provided for the placards which protected the loaded car. Paper placards must be securely pasted over the paper placards with which the loaded car was protected. Metal reversible placards must be adjusted to expose to view the side bearing the wording prescribed therein."

"Note.—Provided that the words 'Keep lights and fires away' and 'Inflammable or poisonous vapour' may be omitted from placards attached to tank cars which previously contained alkaline corrosive liquids or corrosive liquids which do not react with the metal wall or lining of the tank to form an inflammable or poisonous gas."

2. That the provisions of paragraphs 1874 (a), 1875 (a), 1905 (a), and 1912 (a) in conflict with the foregoing be, and they are hereby, rescinded.

H. A. McKEOWN,

Chief Commissioner.

SUPPLEMENT NO. 1 TO CIRCULAR NO. 215

April 13, 1928.

File 35618—Circular No. 215

Referring to the Board's circular letter of December 12, 1927, in re head-on collisions, I am now directed to state that the Board notes that strong objection is taken to the proposal contained in said Circular No. 215 being applied to freight train and light engine movements, and I am directed to say that in so far as movements of freight trains, light engines and work trains are concerned no objection is taken, except where the instruction reversing right to track at the meeting point involves a train carrying passengers; and further, that the Board is of the opinion that the instruction referred to should only be made use of where there is some physical difficulty in the way of the meeting of trains carrying passengers being made, as covered by the rules governing that part of the operation.

Yours truly,

A. D. CARTWRIGHT,

Secretary.

CIRCULAR NO. 216

January 17, 1928.

Re Unloading Gasolene from Cars

File No. 1717.47.

I am directed to call your company's attention to an accident that occurred recently on one of the electric railways. A car loaded with gasolene had been placed on a siding for unloading, and an employee of the oil company, to whom it was consigned, attempted to measure, with the aid of an iron rod, the quantity of gasolene remaining in the car. The iron rod came in contact with the trolley wire carrying 1,500 volts; this resulted in an explosion of gas, and serious injury to the said employee.

I am now directed to call your company's attention to this case and to ask that your company give particulars in writing to each of the oil companies for which carload traffic of an inflammable character is handled by your company.

Yours truly,

A. D. CARTWRIGHT,

Secretary.

CIRCULAR NO. 217

File 35412.

February 17, 1928.

Re the Matter of Elevation of Station Platforms

Referring to this matter which has been the subject of investigation and report through the Board's Operating Department, I am now directed to ask your company to show cause why the Board should not adopt the standard of 5-inch elevation, with a time limit fixing the date at which all platforms must be brought to that standard.

I also enclose you herewith, copy of a memorandum of the Board's Chief

Operating Officer, dated the 4th instant in this connection.

By Order of the Board.

A. D. CARTWRIGHT.

Secretary.

February 4, 1928.

MEMORANDUM FOR DEPUTY CHIEF COMMISSIONER

As requested by you sometime ago I have looked over a number of different railways, and I find that the actual conditions of station platform elevations vary considerably as between railways, and, in some cases, as between stations on the same railway.

The Grand Trunk Western has a standard which varies from rail level to 5 inches

above, with two or three exceptions at terminals where the platforms are at 11 to 15 inches

above the rail.

The New York Central has rail level and tie level according to different grades of their

stations.

The D. & H. for all new work is rail level filled out to within a few inches of the rail; this is explained as an easement of the difficulty in trucking across to a second track, and to get away from the space between curb and rail into which they have found people stepping both entraining and detraining, also when walking across the tracks.

The T. H. and B. is 5-inch elevation at local stations; rail level at their Hamilton

The M.C.R. has standard of rail level, but actually in existence there are platforms at tie level as well as rail level some of the variations being brought about by change in elevation of track during ballasting and other maintenance operations.

The C.N.R. show a standard plan 5-inch elevation, but have a great many stations on different parts of their system that are at rail level, some slightly below it and others between

rail level and 5-inch elevation.

The C.P.R. has a 5-inch standard which has been worked to with very few exceptions. This I understand is due to the fact that the standard was adopted years ago, and in

renewals, etc., it has been provided.

The N.Y.C. in Canada varies between rail level and tie level, as illustrated by investigation on the line between Montreal and Valleyfield. Mr. Scott's letter just received shows that the company's proposal to raise all their platforms there to rail level will not be quite accomplished this year as their rail relaying will not quite cover all the line this year. There will be two stations, St. Timothee and Cecile Junction to be dealt with in the program of 1929.

There is attached to the file memoranda showing variation in the height from top of rail to first tread of the steps of passenger cars. This you will notice varies between 13 and

I have not up to the present discussed with the Railway Car Department the reason for the variation in its steps above the rail but I would like to do so.

I have no hesitation in saying that I think the most satisfactory elevation for station

platforms is 5 inches above rail level.

I would suggest that the Board consider whether railway companies should not be asked to show why the Board should not adopt the standard of 5-inch elevation, with a time limit fixing the date at which all platforms must be brought to that sandard.

> GEO. SPENCER, Chief Operating Officer.

CIRCULAR No. 218

February 20, 1928.

Appointment and Withdrawal of Agents

File 4205.450

Referring to correspondence as to whether the portion of inter-line traffic accruing to the connecting railway should not be considered as part of the figures upon which arrangements as to station agents should be based, the Board has decided that the inter-line traffic and all revenue of traffic of whatever origin should be considered as part of the figures upon which the justification of the rearrangement as to station agent at any particular point should be based.

By Order of the Board.

A. D. CARTWRIGHT, Secretary.

CIRCULAR No. 219

May 8, 1928.

Derailments at Main Line Switches

I am directed by the Board to state that on account of recent derailments at main line switches, all railway companies subject to the Board's jurisdiction are requested to furnish, within thirty days from this date, a memorandum showing the number of automatic switch stands in use in main line switches.

By Order of the Board.

A. D. CARTWRIGHT, Secretary.

CIRCULAR No. 220

May 18, 1928.

Re Dangerous Crossings

File 11026

The revisions made by Parliament in the legislation regarding the Grade crossing Fund make this an opportune moment to consider further the protecive work that is to be undertaken with the co-operation of the Grade Crossing fund.

In the work that has been done, protection has been afforded by improvenents of view, widening of cuts, road diversions, bells and wigwags, bells and ashing lights, flagmen, bridges, subways, etc.

The Board feels that it should have comprehensive information regarding rossings which have elements of danger. It has been, and is, collecting infornation through reports and investigations concerning crossings which are garded as dangerous. It feels it would be of advantage to have the railway ompanies themselves furnish a list of crossings, upon their lines, that, in neir opinion, might properly be improved from the standpoint of protection.

To this end, the Board desires to obtain information, from each of the railays subject to its jurisdiction, regarding the dangerous crossings on said

7stem. This should set out—

(a) the location of the dangerous crossing;

(b) the name of the county or other municipality and province in which

(c) a classification of the crossings according to the nature and extent of danger attaching.

94523-9

This will assist in arriving at an opinion as to which crossings should be given priority of consideration. Any suggestions in this regard will be welcomed.

When the lists so called for are received, the information contained will be studied, with a view to selecting a reasonable number of crossings each year. The Board will then, if hearing is necessary, call before it the different parties who, in its opinion, may reasonably be called upon to contribute in aid of the protective work, and in excess of the amount to be contributed from the Grade Crossing Fund.

The Board will be glad to have this information and additional sugges-

tions, if any, sent in, in writing, by September 1, 1928.

By Order of the Board.

A. D. CARTWRIGHT, Secretary.

CIRCULAR No. 221

June 18, 1928.

Re End Blocking for Loading Rails on Flat Cars

File 8799.34

The attention of the Board has been called to some cases of rails loaded on flat cars having shifted over the ends of cars owing to there not being end blocking provided. It appears that rule 239 of the A.R.A. Loading Rules was revised in 1927 to permit the shipment of rails on flat cars without end blocking.

Railway companies are requested to show cause why a ruling should not be made by this Board requiring substantial end blocking being provided when rails are to be moved on flat cars, either from shipping points or from points of

interchange.

By Order of the Board.

A. D. CARTWRIGHT, Secretary.

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DOMINION OF CANADA

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TWENTY-FIFTH REPORT

OF THE

RAILWAY COMMISSIONERS FOR CANADA

FOR THE YEAR ENDING DECEMBER 31, 1929





OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJEST'S
1221



DOMINION OF CANADA

TWENTY-FIFTH REPORT

OF THE

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

FOR THE YEAR ENDING DECEMBER 31, 1929



OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1221

THE BOARD OF RAILWAY COMMISSIONERS FOR CANADA

Hon. H. A. McKeown, K.C., Chief Commissioner.

S. J. McLean, M.A., Ll.B., Ph.D., Assistant Chief Commissioner.

THOS. VIEN, K.C., Deputy Chief Commissioner.

C. LAWRENCE, Commissioner.

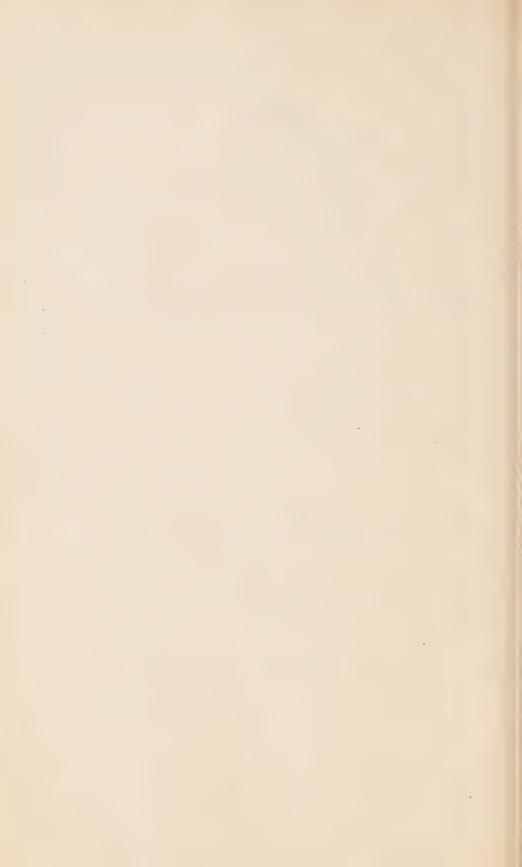
Hon. T. C. Norris, Commissioner.

JOHN A. STONEMAN, Commissioner.

A. D. CARTWRIGHT, Secretary.

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REPORT

OF THE

BOARD OF RAILWAY COMMISSIONERS FOR CANADA

To the Governor in Council:

Pursuant to the provisions of section 31 of the Railway Act, 1919, the Board of Railway Commissioners for Canada has the honour to submit its Twenty-fifth Report for the year ending December 31, 1929.

Since the publication of the last report the following amendment has been

made to the Railway Act, 1919:-

19-20 GEORGE V

CHAPTER 54

An Act to amend the Railway Act

[Assented to 14th June, 1929.]

HIS MAJESTY, by and with the advice and consent of the R.S., c. 176 Senate and House of Commons of Canada, enacts as follows:-

The Railway Act, chapter one hundred and seventy of the Railway Act Revised Statutes of Canada, 1927, as amended by chapter forty-amended. three of the statutes of 1928, is amended as follows:-

- 1. By inserting the following section immediately after section 41:---
- "41A. Notwithstanding anything in any special Act heretofore Jurisdiction passed, the Board shall have jurisdiction and control over tolls to be over tolls on charged in respect of the use for pedestrian, vehicular, tramway, International street railway, railway or other like traffic on, over, across or Bridges. through international bridges owned or operated by any company, and all the provisions of this Act relating to tolls and tariffs shall apply mutatis mutandis.

'International Bridges,' for the purposes of this section, shall "Intermean and include bridges or tunnels (including the approaches or bridges' facilities connected therewith) over or under any waterway being or defined. running along or across the boundary between the Dominion of

Canada and any foreign country."

- 2. Section two hundred and sixty-two of the said Act, as enacted by chapter forty-three of the statutes of 1928, is amended by adding at the end thereof the following subsection:-
- "(6) The sum of two hundred thousand dollars each year for Grant for ten consecutive years from the first day of April, one thousand nine ten years hundred and twenty nine dell be appropriated and twenty nine dell be appropriated and twenty nine dell be appropriated and the propriate from 1929. hundred and twenty-nine, shall be appropriated and set apart from

the Consolidated Revenue Fund of Canada to aid actual construction work for the protection, safety and convenience of the public in respect of highway crossings of railways at rail level in accordance with the provisions of this section."

3. Subsection one of section three hundred and thirty-six of the said Act is repealed and the following substituted therefor:—

Continuous route in Canada.

- "336. (1) Where traffic is to pass over any continuous route in Canada operated by two or more companies, the several companies shall agree upon a joint tariff for such continuous route and the initial company or an agent duly authorized by power of attorney of such company, shall file such tariff with the Board and the other company or companies, shall promptly notify the Board of its or their concurrence in such joint tariff."
- 4. Subsection one of section three hundred and forty-one of the said Act is repealed and the following substituted therefor:—

Joint tariffs shall be agreed upon.

Proviso. Leases and contracts.

- "341. Joint tariffs shall, as to the filing and publication thereof, be subject to the same provisions in this Act as are applicable to
 the filing and publication of local tariffs of a similar description,
 except that joint tariffs may be filed by one agent or company, duly
 authorized by power of attorney of the initial company. Upon any
 such joint tariff being so duly filed with the Board, the company or
 companies shall, until such tariff is superseded by another tariff or
 disallowed by the Board, charge the toll or tolls as specified therein:
 Provided that the Board may except from the provisions of this section the filing and publication of any or all passenger tariffs of
 foreign railway companies."
- **5.** Paragraph (k) of subsection one of section three hundred and eighty-four of the said Act is repealed and the following substituted therefor:—

Filing and publication of joint tariffs.

- "(k) the particulars of any lease, contract or arrangement entered into, or at any time having been entered into, and the particulars of any financial or business relations relevant to any matter within the jurisdiction of the Board existing, or at any time having existed between such company and any other company or person; and"
- 6. Subsection two of section three hundred and eighty-four of the said Act is repealed and the following substituted therefor:—

Board may require attendance and production. "(2) The Board may summon, or require the attendance of and examine under oath, any officer, servant or agent of such company or of any other company within the legislative authority of the Parliament of Canada, or person, as to any matters included in such return, or which were required by notice aforesaid to be returned to the Board, and as to any matter or thing which, in the opinion of the Board, is relevant to such return, or to any enquiry which the Board deems it expedient to make in connection with any of the matters in this section aforesaid; and for such purposes may require the production to the Board of any books or documents in the control of such company or any such other company, or in the control of any such officer, servant, agent or person."

7. Subsection five of section three hundred and eighty-four of the said Act is repealed and the following substituted therefor:-

"(5) The Board may authorize any part of such information to Board be made public when, and in so far as, there may appear to the information Board to be good and sufficient reasons for so doing: Provided that public on if the information so proposed to be made public by the Board is of notice to company, such character that such company, or any other company, within the company. such character that such company or any other company within the legislative authority of the Parliament of Canada would, in the opinion of the Board, be likely to object to the publication thereof. the Board shall not authorize such information to be published without notice to such company, or any such other company, and hearing any objection which such company or any such other company, may make to such publication."

PUBLIC SITTINGS OF THE BOARD

During the year covered by the period from January 1, 1929, to December 31, 1929, the Board held 50 public sittings at which 235 applications were heard. The number of public sittings held in the various provinces were as follows:-

Provinces		27 1
Ontario		Number
Quebec		28
Manitoba		3
Saskatchewan		ð
Alberta		3
British Columbia		3
New Brunswick		I
Prince Edward Island		2
Total	*******	
	******	50

The applications include a great variety of matters falling within the jurisdiction of the Board under the Railway Act, varying from the complaint of a private individual to weightier matters of general public interest affecting the community as a whole.

FORMAL AND INFORMAL MATTERS

The number of informal matters dealt with by the Board as distinguished from matters heard at public sittings, constitute a considerable percentage of the total applications and complaints dealt with by it; that is to say, of a total of 3,796 applications and complaints received and dealt with by the Board 93 per cent were disposed of without the necessity of such formal hearing. These informal complaints, dealt with and settled without the necessity of hearing, entail in many instances a considerable amount of inquiry and consideration on the part of the Board's officials, and cover a wide range of subjects, as, for example, a complaint of a more or less trivial nature to a matter of general public interest affecting the community as a whole, or involving the application of some general principle, regarding the railway rates.

RAILWAY GRADE CROSSING FUND

In accordance with the provisions of subsection (5) of section 262 of the Railway Act, 1919, provision was made that the sum of \$200,000 each year. or ten consecutive years from the 1st day of April, 1919, be appropriated and set apart from the consolidated revenue fund for the purpose of aiding actual construction work for the protection, safety and convenience of the

public in respect of highway crossings of railways at rail level, in existence on the 1st day of April, 1909, the said sums to be placed to the credit of a special account to be known as "The Railway Grade Crossing Fund," to be applied by the Board, subject to certain limitations set out in the Act, and amending Acts, solely towards the cost (not including that of maintenance and operation) of actual construction work for the purpose specified.

In dealing with such crossings, the Board issued, between the 1st day of April, 1909, and the 31st day of December, 1929, 1,077 orders, providing pro-

tection for 1,240 crossings, as follows:-

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By removing view obstructions and reducing grade	4
By shelter	1
7) 1	96
D 4	3
By tunnel	1
By wigwags.	17
by wigwags	

It will be seen by comparing the total number of crossings protected with the Twenty-fourth Annual Report of the Board that the increase for the twelve months ending December 31, 1929, in the number of crossings protected number 267, made up as follows:—

By	automatic interlocking plants (street railway protection)
By	crossings eliminated.
By	crossings eliminated
By	diverting crossings
By	diversion highways
By	diversion to bridge
By	diversion to improve alignment and grade
By	diversion to subway
	electric bell and wigwag
	gates
By	gates (automatic)grade reduction.
By	grade reduction
By	lengthening ringing circuit between bells
By	lightning flash signal
By	overhead bridges
By	removal view obstructions
By	removing view obstructions and reducing grade
By	subways
By	tunnel

Note.—Two hundred and sixty-seven crossings, and three hundred and eighty-six protections, consequent on account of 49 diversions and one tunnel closing 40 crossings and climinating 54, double bell an wigwag at 29 crossings and double lightning flash signals at 40 crossings.

It will be noted that under the amendment to the Railway Act, chapter 46 18-19 George V, the total amount of money to be apportioned and directed an

ordered by the Board to be payable from the annual appropriation, in the case of any one crossing where the cost of the actual construction work in providing protection, safety and convenience for the public does not exceed one hundred thousand dollars, shall not exceed forty per cent of such cost, and the total amount of money to be applied by the Board out of the Railway Grade Crossing Fund under the provisions of the section, in the case of any one crossing where the cost of the actual construction work in providing protection, safety and convenience for the public exceeds one hundred thousand dollars, shall not exceed forty per cent of such cost, and shall not in any case exceed one hundred thousand dollars. Provision is also made that in case any province contributes towards the Railway Grade Crossing Fund, the Board may apportion, direct and order payment out of the amount so contributed by such province for the purpose of said fund, subject to any conditions and restrictions made and imposed by such province in respect of its contribution.

GENERAL ORDERS

The following is a brief summary of some of the matters dealt with under the Board's General Orders:—

General Order No. 467 amending the "Standard Regulations of the Board Affecting Highway Crossings, as amended May 4, 1910"; and the General Orders of the Board Nos. 40 and 451, dated respectively May 4, 1909, and September 21, 1927, as set out in the Order, and rescinding General Orders Nos. 40 and 451.

General Order No. 468 in the matter of specifications for highway crossing signals, and the General Order of the Board No. 96, dated November 11, 1912, as set out in said order, and rescinding the Board's General Orders Nos. 16, 21, 29, 70 and 96, dated respectively November 3, 1908, December 3, 1908, March 2, 1909, February 7, 1911, and November 11, 1912.

General Order No. 470 directing that paragraphs 1631 and 1634 of the Board's Regulations for the Transportation of Explosives and other Dangerous Articles by Freight be amended by adding at the end thereof the following.

namely:-

"Or in wirebound boxes, Specification No. 6-A, when they are lined with spark-proof paper, or when inside containers are used."

General Order No. 472 dealing with the approval of revised labels to be used on containers of dangerous articles transported by freight, and providing that paragraph 1866 of the Regulations for the Transportation of Explosives and other Dangerous Articles by Freight, approved by the General Orders of the Board Nos. 203, 204, and 206, dated August 11 and September 7, 1917, be struck out and the following substituted in lieu thereof, namely:—

"1866. The wording must be in black letters inside of a black line border measuring $3\frac{1}{2}$ inches on each side," as set out in said order.

General Order No. 473 dealing with the Rules and Instructions for the Inspection and Testing of Locomotive Boilers and their Appurtenances, and providing that the railway companies subject to the jurisdiction of the Board adopt and put into force at once the rules and instructions for the inspection and testing of locomotive boilers and their appurtenances, attached thereto marked "A"; also rescinding the Board's General Orders numbered 71, dated February 7, 1911; No. 78, dated July 14, 1911; No. 85, dated February 12. 1912; No. 389, dated January 21, 1924; No. 394, dated February 8, 1924; No. 423, dated August 31, 1925; No. 428, dated February 1, 1926; No. 445, dated July 18, 1927; and No. 438, dated February 14, 1927; Order No. 32237, dated

March 24, 1922, made herein; and Circulars No. 76, dated January 16, 1912; No. 109, dated April 1, 1913; and No. 192, dated June 15, 1921, issued under

the direction of the Board.

General Order No. 474 dealing with the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, as prescribed and approved under the Board's General Orders Nos. 203, 204 and 206; and providing that Specification No. 6, section 43 of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, be cancelled and clauses substituted therefor as set out in the said order.

General Order No. 475 providing that railway companies subject to the jurisdiction of the Board be required to incorporate a clause in their siding agreements specifically setting out the requirements of section 250 of The Railway Act and subsection (c), section 7, of General Order of the Board No.

236 as to both vertical and lateral clearances.

General Order No. 476 providing that Supplement No. 5 to Canadian Freight Classification No. 17 be approved subject to certain changes and additions, as set out in said order.

General Order No. 477 directing that section 3 of the Board's General Order No. 271, dated September 10, 1919, be struck out and there be substituted

therefor clause 3, as set out in said order.

General Order No. 479 providing that the Rules and Regulations Governing the Construction and Filing of Freight and Passenger Schedules, attached thereto, be approved for the use of railway companies, or properly authorized agents thereof who file freight and passenger schedules with the Board; also providing that General Orders No. 398, dated April 11, 1924, No. 407, dated September 5, 1924, No. 462, dated September 20, 1928, be reseinded.

General Order No. 480 directing that in the event of any failure rendering the communicating signal on the locomotive of a passenger train inoperative, occurring while the train is en route, the train be taken to the first repair point with such facilities as are at hand; but at the first repair point repairs must be made so that the communicating signal shall be made operative, as

required by section 298 (1) (a) of the Railway Act.

General Order No. 481 providing for certain changes in the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight as set out in said order, and amending the Board's General Order No. 466.

GENERAL DECISIONS AND RULINGS OF THE BOARD

Submitted herewith, epitomized, are some of the more important matters dealt with by the Board at its public sittings for the year ending December 31, 1929.

CONFEDERATED FREIGHT ASSOCIATION, TORONTO V. CANADIAN PACIFIC RAILWAY COMPANY

1. Tariff—Legal Toll—Marble Chips—Import.

The legal rate in effect on marble chips import Montreal to Toronto in June, 1926, was the domestic rate of 28 cents per 100 pounds, plus the Montreal terminal charge of 4 cents per 100 pounds, as set out in Canadian Pacific Railway tariff C.R.C. No. E-4133 under Rule 3 thereof.

2. Tariff Special-Long and Short Hanl Clause-Railway Act, Section 329, Sub-section 3—Stanbridge, P.Q., to Toronto

A special commodity rate on marble chips C.L. from Stanbridge, P.Q., to Toronto, Ont., does not apply as the maximum rate governing a shipment

moving from the Montreal wharf via Canadian Pacific Railway to Toronto. The latter movement is not a point on the same line in the same direction

within the meaning of the long and short haul clause.

The various stations comprising the Montreal Terminals are separate and distinct stations and the long and short haul provisions of the Railway Act are not applicable unless such points are in fact intermediate over the same line in the same direction.

(F. W. Tunnell & Co. v. Penn. Rrd. Co., 120 I.C.C., 425, referred to and followed.)

The facts are fully set out in the report of the Board's Chief Traffic Officer, dated May 6, 1929, issuing as a judgment of the Board. C.R.C., Vol. XXXV, p. 381.

NORTH FRASER HARBOUR COMMISSIONERS et al v. B.C. ELECTRIC RAILWAY COMPANY AND CANADIAN PACIFIC RAILWAY

Tariffe—Joint—Agreement—Detriment to Industry—Railway Act, R.S.C. 1927, chapter 170, section 154, subsection 4

Although the contract betwen the Canadian Pacific Railway and the British Columbia Electric Railway Company restricting the making of joint rates with competitors of the Canadian Pacific Railway to and from points on the Vancouver and Lulu Island Railway (capital stock of which was owned by the Canadian Pacific Railway and which was leased to the Canadian Pacific Railway for 999 years) was held to be intra vires, the Board ordered the British Columbia Electric Railway Company (which company operated the Vancouver and Lulu Island Railway) to publish and file joint rates between stations on the Vancouver and Lulu Island Railway and points on the Canadian National Railways via direct connection between the companies upon the same basis as rates published between Vancouver and Lulu Island Railway points and stations on the Canadian Pacific Railway, upon the ground that denial of these facilities occasioned loss and detriment to industries along the north branch of the Fraser river.

The facts are fully set out in the judgment of the Chief Commissioner, dated June 4, 1929, concurred in by Mr. Commissioner Norris. C.R.C., Vol. XXXV,

p. 384.

FIELD BROS. V. CANADIAN NATIONAL RAILWAYS

Farm Crossing—Agreement—Cattle Guards—Removal—Standard Construction.

Where the Board finds as a fact that the representative of a railway company orally agreed at the time of construction to establish an open crossing with eattle guards on the location of a private road, and that the crossing was so established and maintained for several years thereafter, since 1918, it will not permit the railway to substitute the standard farm crossing construction.

(Calhoun v. C.N.R., 32 C.R.C., 236, referred to.)

The facts are fully set out in the judgment of the Chief Commissioner, dated February 26, 1929, concurred in by Mr. Commissioner Norris. C.R.C., Vol. XXXV, p. 411.

GEBO COAL COMPANY LIMITED V. LUSCAR COLLIERIES AND CANADIAN NATIONAL RAILWAYS

Industrial Spur-Railway Act, section 185-Jurisdiction-Agreement and Lease.

The Board allowed an application under section 185 of the Railway Act to require the Canadian National Railways to construct an industrial spur from

the Lusear Branch (see Lusear Collieries Limited v. McDonald (1927), A.C. 925. 33 C.R.C. 399 (1927), 4 D.L.R. 86) to the coal lands of the applicant, holding that the branch was part of the Canadian National Railway system and as such under the jurisdiction of the Board and that the position in this respect had not changed by an agreement and lease negotiated between the Lusear Collieries Limited and the Canadian National Railways after the judgment of the Privy Council.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated April 27, 1929, concurred in by Mr. Commissioner Norris, C.R.C.,

Vol. XXXV, p. 414.

TOWN OF WALKERVILLE V. CANADIAN NATIONAL RAILWAYS

Highway—Bridge—Shape—Condition—Reconstruction—Cost—Apportionment — Factors to Consider—Wearing Surface—Sidewalks—Street Railway.

Upon an application by a municipality requiring a railway company to replace a highway bridge over its tracks on the ground of danger due to the shape of the bridge and its dangerous condition, the Board found that the reconstruction of the bridge was necessary and justifiable. The factors to be considered in apportioning the cost are: (1) congestion, (2) life of existing structure, (3) increase in highway traffic due to the changed status of the highway, and (4) changed character of the traffic. See City of Windsor v. C.P.R. 32 C.R.C. 26, at pp. 29, 30.

The Board found that the traffic increase was due to conditions in connection with the highway and not the railway; that the highway was senior, and the street railway thereon junior, to the railway, and that there was danger of

street cars being derailed.

The Board decided on the facts that the City of Windsor was a party interested and apportioned the cost of the work as follows: 55 per cent to the railway company, 35 per cent to the municipalities interested, viz. Walkerville 20 per

cent and Windsor 15 per cent, and 10 per cent to the street railway.

Walkerville (the municipality in which the bridge was situate) was ordered to provide and maintain the sidewalks and the wearing surface of the bridge and approaches, the latter to be subject to agreement with the street railway as to the portions between and adjacent to the rails. Walkerville was also to settle for the cost of lands and damages arising from the work, the expense so incurred to be adjusted in the final settlement between the parties.

(County of Carleton v. City of Ottawa, 41 Can. S.C.R. 552, 9 C.R.C. 154,

referred to.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated May 4, 1929, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXV, p. 426.

GRAND TRUNK PACIFIC BRANCH LINES COMPANY V. CITY OF REGINA

Highway Crossed by Railway—Spurs—Connection—Street Railway—Construction—Protection—Future Protection.

Upon application of the Grand Trunk Pacific Branch Lines Company for authority to connect certain spur lines in the city of Regina, the city objected to the application being granted except upon terms compelling the railway company to bear the expense of construction and maintenance of a subway at the point where the spur crossed Broad street should the occasion for such subway arise.

Held:

It is an established principle of the Board that, in considering applications involving the opening up of crossings, either by carrying a highway across a railway or by carrying a railway across a highway, the Board will not, except where the application deals with the erection of some specific form of protection, make an order fixing future responsibility for protection of a crossing, but deals with the matter upon the particular facts involved when the need for protection

The application of the Grand Trunk Pacific Branch Lines Company was granted authorizing (1) construction of a connection between the spur of the old Canadian Northern Railway Company approved under Order No. 18094, dated November 21, 1912, and the spur of the applicant company approved under Order No. 13528, dated April 29, 1911; (2) a crossing of the double track of the Regina Municipal Street Railway located on Broad street, to be protected by a half-interlocking plant; the derails to be set clear for the Regina Municipal Street Railway and the signals against the railway company; and the halfinterlocking plant to be operated by a member of the railway train crew, such trainman to act as a crossing watchman to protect vehicular traffic while the steam line movement over the crossing is taking place; (3) a crossing with the said spur of Broad street, Osler street and the lanes in blocks 77 and 78 in the city of Regina; and (4) a revision of the spur approved under Order No. 16849, dated June 21, 1912.

The work was ordered to be done at the expense of the applicant. (City of St. Boniface v. C.P.R., 26 C.R.C. 45; and C.N.R. v. Twp. of Stamford, 32 C.R.C. 252, followed.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated August 19, 1929, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXV, p. 439.

NEW YORK CENTRAL RAILROAD COMPANY V. TOWNSHIP OF RUSSELL

Station—Agency—Closing—Revenue—General Order No. 54.

Application by the railway company to close the station at Cambridge, Ont., as an agency station was granted by the Board upon the ground that under General Order No. 54 it could not compel the company to maintain an agent at a point where the gross earnings per annum do not exceed \$7,020.31, especially where such station is located only 1.44 miles from another agency station whose gross carnings were greatly in excess of that amount, and which station the company wished to maintain as an agency station.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated January 22, 1929, concurred in by the Assistant Chief Commis-

sioner and Mr. Commissioner Lawrence. C.R.C., Vol. XXXV, p. 449.

CANADIAN NATIONAL RAILWAYS V. QUEBEC HARBOUR COMMISSIONERS, et al.

(Grain Rates, Port Arthur, etc., to Quebec for Export)

I. Jurisdiction of Board—Appeal—Railway Act, Section 52—Question of Law.

Although upon questions affecting the jurisdiction of the Board an appeal may be had to the Supreme Court of Canada either by consent of the Board or by leave of a judge of the Supreme Court, upon questions of law the Board's consent must first be obtained before such an appeal can be had. Upon questions of fact the opinion of the Board cannot be challenged before the Supreme Court.

II. Tolls—Reasonableness—3 Edward VII, Chapter 71—Agreement— Jurisdiction—Railway Act, Section 325 (5).

The determination of reasonable rates, having regard to all the circumstances, is a question of fact, and the determination of such a fact cannot be resolved into a question of jurisdiction because various statutes and a statutory

agreement are taken into consideration.

The circumstances surrounding the inception and construction of the National Transcontinental and the Grand Trunk Pacific Railways, namely the reason for building the railways and the money advanced by the public, are elements of fact to be considered in the reasonableness of a rate set up. Section 325, subsection 5, of the Railway Act does not prevent the Board taking these matters into consideration in arriving at what constitutes a reasonable rate. The jurisdiction of the Board to fix just and reasonable rates is not restricted but always unlimited, except as to Crowsnest rates on grain and flour.

The facts are fully set out in the judgment of the Chief Commissioner, dated July 25, 1929, concurred in by the Deputy Chief Commissioner and Mr.

Commissioner Norris. C.R.C., Vol. XXXVI, p. 81.

RURAL MUNICIPALITY OF SENLAC, SASK., $et\ al,\ v.$ Canadian pacific railway Company

Private Crossing-Station Yard-Safety-Duty of Board.

Application for the construction of a private level crossing across the tracks of the Canadian Pacific Railway at a point 170 feet from the station at Senlac, Sask., was dismissed by the Board upon the ground that it would be unsafe to open up a crossing at the point in question.

Held also:

The duty placed upon the Board in the administration of the Railway Grade Crossing Fund is to do what it can to aid in the improvement of safety; care has to be taken to avoid the creation of new conditions which will be unsafe.

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated October 4, 1929, concurred in by Mr. Commissioner Lawrence.

C.R.C., Vol. XXXVI, p. 123.

WINNIPEG BOARD OF TRADE V. CANADIAN PACIFIC AND CANADIAN NATIONAL RAILWAY

COMPANIES

Passenger Tolls—Excursion -Unjust Discrimination - Home Visitors' Excursion Fares Western to Eastern Canada—Inhibitions of Railway Act—Jurisdiction of Board—Discretion of Carrier -Prima Facic Case—Function of Board.

Upon application of the Winnipeg Board of Trade, supported by the Boards of Trade of a number of cities and towns in the western provinces, for the establishment of excursion passenger rates from Eastern to Western Canada similar to existing annual arrangement known as "Home Visitors' Excursion Rates" which are published each year from Alberta, Saskatchewan, and Manitoba to Eastern Canada, and upon complaint that to refuse similar rates from the East to the West was discriminatory, the Board held that no affirmative showing of unjust discrimination or undue preference had been made out and dismissed the application.

Held also that:

- (1) The inhibitions of the Railway Act in regard to discrimination are inhibitions in regard to unjust discrimination and undue preference, not in regard to mere difference in treatment.
- (2) The Board has no jurisdiction to compel railway companies to issue excursion rates. The railway has a right, under the Railway Act, to issue excursion rates and it is within the discretion of the railway to do so as long as such rates do not unjustly discriminate against any person or locality.
- (3) In a charge of unjust discrimination it is necessary for the applicant, before shifting onus on the railway, to make out a *prima facie* case of discrimination.
- (4) It is not the function of the Board to put in rates to develop business. The railway makes its rates and the function of the Board is merely regulatory.
 - (Wegenast v. G.T.R. Co., 8 C.R.C., 42; City of Brampton v. G.T. and C.P.R. Cos., 11 C.R.C., 370; Canadian Fraternal Ass'n v. Can. Passenger Ass'n, 13 C.R.C. 178; Roy v. C.P.A., 17 C.R.C. 320; B.C. News Co., v. Express Traffic Ass'n, 13 C.R.C. 176, at p. 178; Queen's University v. C.P. and C.N. Ry. Cos., 31 C.R.C. 315; Spanish River Pulp and Paper Mills, Ltd., v. C.P.R., ct al, 28 C.R.C. 100; Ontario Paper Co. v. G.T.R. Co., 24 C.R.C. 177; Guest Fish Co. v. Dominion Express Co., 18 C.R.C. 1; referred to.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated October 8, 1929, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXVI, p. 100.

WILSON BOX AND LUMBER COMPANY LIMITED V. CANADIAN NATIONAL AND CANADIAN PACIFIC RAILWAY COMPANIES

Classification—C.L.—Wooden Boxes—Set Up—Unjust Discrimination—Wire Bound Boxes K.D.—Minimum Weight—Revenue—Percentage Pay Load to Total Load—Carload Earnings.

Upon complaint that the C.L. rating provided under the classification for vooden wirebound boxes, knocked down, (7th class 18,000 pounds minimum; 0th class 30,000 pounds minimum) was unjustly discriminatory against nailed vooden boxes (rated 7th class 18,000 pounds minimum) the Board held, that upon a comparison of the minimum weights prescribed by the classification and he loading capacity of the two types of boxes, the percentage of pay load to otal load in the case of the two articles in question and of the carload earnings a each case, the charge of unjust discrimination was not made out and dismissed he complaint.

(Kemp Man. & Metal Co. et al, v. Canadian Pacific Railway 10 C.R.C. 161, at p. 162; Canadian Piano & Organ Mfrs. Ass'n. v. Canadian Freight Association, 12 C.R.C. 22, at p. 25; Warrington et al, v. Canadian Freight Association, 24 C.R.C. 155, at p. 156, and Calgary Livestock Exchange et al, v. Canadian National Railway and Canadian Pacific, 29 C.R.C. 207; referred to.)

The facts are fully set out in the judgment of the Assistant Chief Comissioner, dated October 14, 1929, concurred in by Mr. Commissioner Lawrence. R.C., Vol. XXXVI, p. 110.

THERMOS BOTTLE COMPANY, LIMITED, et al, V. CANADIAN FREIGHT ASSOCIATION

I. Classification—Thermos Bottles—Lunch Boxes

An application for a reduction in the classification ratings provided for thermos bottles and lunch boxes containing thermos bottles was dismissed by the Board upon the ground that there was no evidence indicating that the existing ratings were unreasonable or restricted the free movement of these commodities.

II. Classification—Rating—Value—Commodity

The value of a commodity is an important, although not controlling, element in the determination of classification ratings, but very little value can be attached to comparisons of the percentage proportions of freight charges to the value of the commodity.

III. Classification—U.S.—Canada—Reasonableness

Citations of classification practice in the U.S. are not conclusive in respect to conditions existing in Canada, unless the conditions are on all fours.

(In re Proposed Canadian Freight Classification No. 17, 15 B.R.C. 178, at page 204; Dalyte Electric Limited v. Canadian Freight Association, 30 C.R.C. 382, followed.

The facts are fully set out in the report of the Board's Chief Traffic Officer, dated October 16, 1929, issuing as the Judgment of the Board. C.R.C., Vol. XXXVI, p. 115.

CALGARY BOARD OF TRADE V. CANADIAN NATIONAL RAILWAY AND CANADIAN PACIFIC RAILWAY

Tolls-Winnipeg to Calgary-Edmonton-Western Rates Case-Readjustment

The direction in the Western Rates case resulting in the Canadian Pacific railway mileages from Winnipeg to Calgary and Edmonton (which via Canadian Pacific Railway were both in the same mileage group) being made the controlling factor in the distributing rates from Winnipeg to those points, was provisional on account of existing conditions. Subsequent adoption of the regular mileage basis resulted in rates to Calgary being greater than rates to Edmonton.

An application for a reduction in the class rates from Winnipeg to Calgary to the same basis as applicable from Winnipeg to Edmonton was dismissed by the Board upon the ground that no unjust discrimination or undue preference had been shown and that the Board was without power to direct the actions

of a railway with respect to competition.

(Western Rates Case, Board's Judgment (Vol. 200), p. 61; General Rates Investigation, 33 C.R.C. 127; Montreal Produce Merchants Association v. Grand Trunk and Canadian Pacific Railway, 9 C.R.C. 232, at p. 240; British Columbia Sugar Refining Company v. Canadian Pacific Railway, 10 C.R.C. 169, at p. 171; Edmonton Clover Bar Sand Company, Limited, v. Grand Trunk Pacific, 17 C.R.C. 95; and United Factories, Limited v. Grand Trunk Railway, 3 C.R.C. 424, at p. 426, referred to and followed.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated October 22, 1929, concurred in by Mr. Commissioner Lawrence, C.R.C., Vol. XXXVI, p. 106.

CANADIAN PACIFIC RAILWAY COMPANY V. GRAND TRUNK RAILWAY COMPANY

Re Queen's Wharf Crossing, Toronto

This was an application by the Canadian Pacific Railway Company for an order to vary the order of the Railway Committee of the Privy Council, dated February 8, 1898, and the order of the Board, dated July 27, 1905, by directing that the entire cost of operation and maintenance of the diamonds, interlocking, derailing, and signal appliances at the Queen's Wharf Crossing, in the city of Toronto, of the applicant company's line of railway by the Grand Trunk Company's lines be borne by the two companies in the proportion which the total number of cars belonging to one company passing in any direction over the crossing bears to the total number of cars belonging to the other company passing in any direction over said crossing.

By an agreement between the two companies, the Grand Trunk Railway Company granted to the Canadian Pacific Railway Company running rights from the city of Toronto to the city of Hamilton and by the agreement the expenses of maintenance of the tracks, etc., so used, and the other expenses connected with the operation of the section jointly used, were to be divided between the two companies upon a wheelage basis. The tracks so used are a portion of those crossing the Queen's Wharf spur of the Canadian Pacific

Railway Company.

At the hearing (October 23, 1906), the applicant company claimed to be the senior company and to be entitled, on that account, to have the total cost of the

protective appliances borne by the Grand Trunk Company.

The order of the Railway Committee of the Privy Council orally pronounced was that as the origin of the two companies was so close together in point of time, the committee was not called upon to determine the question of seniority, and that, therefore, each company should bear half the cost of construction, the cost of maintenance to be governed by the agreement.

It does not appear that any application was made by the applicant company to the Railway Committee for a change in the order, although there was some correspondence between the two companies in respect of the apportion-

ment of the expenses between them.

The facts are fully set out in the judgment of the Chief Commissioner, dated November 16, 1906, C.R.C., Vol. XXXVI, p. 145.

CITY OF SASKATOON V. CANADIAN NATIONAL RAILWAYS

Railway Crossed by Highway-Protection-Traffic-View-Apportionment of Cost

Upon consideration of the matter of protection at the Twenty-fourth street evel crossing of the Canadian National Railways in the city of Saskatoon, Sask., after a review of the history of the crossing and the agreement between he corporation and the railway company the Board on the ground of density of traffic and danger due to the limited view ordered that the crossing be proected by a watchman during the hours from 7 p.m. to 7 a.m., in addition to xisting protection by watchman from 7 a.m. to 7 p.m. and that the expense e divided equally between the railway company and the city.

Held, that a municipality which contributes to the danger existing at a evel crossing by permitting buildings to be creeted close to the point of cross-

ng must assume its share of the responsibility.

Held also, that in the absence of an express direction, in the order of the Board providing for construction and maintenance of a crossing, that protection be installed as and from the date of completion of the construction of the crossing, the words "construct and maintain do not create any implication as to whom the burden of protection should be on.

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated December 2, 1929, concurred in by Mr. Commissioner Law-

rence. C.R.C., Vol. XXXVI, p. 140.

CANADIAN PACIFIC RAILWAY COMPANY V. CANADIAN NATIONAL RAILWAYS (St. Basile Interlocking Plant Case)

Interlocking Plant-Maintenance-Operation-Order No. 39468-Amendment

Upon application of the Canadian National Railways for approval of plans covering the rebuilding of the interlocking plant at St. Basile, La Tuque S.D. (P.Q.), the Board on August 16, 1927, issued Order No. 39468 providing in part that the plant be maintained and operated by the applicants. The plant was originally constructed in 1907 by the National Transcontinental Railway, which was the junior line. Order No. 3242 approving the original construction of the plant provided that the plant be maintained and operated by the Canadian Pacific Railway at the expense of the Canadian National Railway. The Canadian Pacific Railway had operated the plant since its construction.

Held, upon aplication of the Canadian Pacific Railway for an amendment of Order No. 39468 by deleting the words "and operated," and after a review of the general situation governing the operation of interlocking plants, that there was no special reason shown for exceptional treatment in this case. The general principle is that the signalman is to be appointed by the senior road

and is a joint employee of both roads.

The amendment applied for was allowed.

(Re Interlockers, 4th Annual Report B.R.C. (1909), 304-5; and Patterson v. C.P.R., 14 C.R.C. 405, referred to.)

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated December 6, 1929, concurred in by Mr. Commissioner Stoneman. C.R.C., Vol. XXXVI, p. 126.

CANADA RICE MILLS, et al, v. CANADIAN FREIGHT ASSOCIATION

I. Jurisdiction—Variation of Order—Soundness—New Evidence—Promptness

The jurisdiction of the Board to vary its own orders should only be exercised under changed circumstances, for the purpose of rectifying errors occurring through want of information, oversight, or otherwise, or by reason of new evidence being advanced on an application to reopen a case, and application to reopen a case should be made promptly.

II. Tolls—Competitive—Carrier's Discretion—Jurisdiction of Board

The continuation of rates made to meet competitive conditions is within the discretion of the carrier, and as long as unjust discrimination is not shown to exist the Board has no jurisdiction to order rates to be substituted for those existing. Lapse of time does not raise a presumption of reasonableness where competitive conditions are involved and place upon the carrier the onus of justifying the change in rates.

III. Tolls—Reasonableness—Comparative Tolls—Other Commodities

Comparisons of tolls on other commodities which are not competitive in use with the one in question and rates upon which are due to competitive circumstances, do not constitute a proper method of proof of the unreasonableness of the tolls in question.

IV. Tolls-Unjust Discrimination-Import Rate-Burden of Proof

The burden of proof of unjust discrimination or undue preference arising from the import rate as compared with the domestic rate rests upon those who allege unjust discrimination and they must establish a prima facie case.

Held, that the applicants had failed to establish that the \$1 import rate on raw rice from Vancouver to Montreal was unduly preferential as compared with the \$1.15\frac{1}{4} rate on milled rice from the Vancouver mills to Montreal.

V. Jurisdiction-Market Competition-Customs Duties

The matter of customs duties is a phase of market competition which lies within the discretion of the carrier whether it shall meet such competition by an adjustment of rates, or not meet it. Parliament has not conferred upon the Board the power to modify rates to offset customs duties which are alleged to be inadequately protective.

VI. Tolls—Unreasonableness—Unjust Discrimination—Competition— Jurisdiction

The application for the restoration of the 75 cents rate previously in force on milled rice from Vancouver to Quebec was dismissed upon the ground that the applicants had failed to present a prima facie case of unreasonableness, that fluctuations in the import of milled rice from a foreign country is not a measure of the reasonableness of the rate in Canada, and that the Board has no jurisdiction to install rates to meet competitive conditions unless unjust discrimination is shown to exist.

(American Coal & Coke Co. v. M C.R. Co., 21 C.R.C. 15, at p. 24; Queen's Wharf Crossing Case, 3rd Annual Report of Board 110; United Factories, Ltd., v. G.T.R., 3 C.R.C. 424; Mount Royal Milling & Manufacturing Co., Ltd., v. Canadian Freight Association, 15 B.R.C. 42; Canadian Oil Cos. v. G.T.R., et al, 12 C.R.C. 350, at p. 357; referred to and followed.)

The facts are fully set out in the judgment of the Assistant Chief Comnissioner, dated December 19, 1929, concurred in by Mr. Commissioner awrence. C.R.C., Vol. XXXVI, p. 91.

BOARD OF TRADE OF WAYNE, ALTA., et al, V. CANADIAN NATIONAL RAILWAYS

Interchange—Facilities—Joint Section—Public Interest—Jurisdiction

On application of the Board of Trade of Wayne, Alta., for the construction, maintenance and operation of a connection between the lines of the

Canadian National Railways and the joint section of the Canadian National Railways and Canadian Pacific Railway known as the Rosedale-Bull Pound Joint Section, at or near the point of connection at Wayne, Alta., upon the following grounds, namely: (1) That the interchange connection would be in the public interest; (2) That the interchange connection is necessary to prevent unjust discrimination against the operators of coal mines of the Wayne field who were, under existing conditions, obliged to pay a two-line freight rate as against the one-line freight rate enjoyed by the lines situated at Drumheller; and (3) that such connection would make for more adequate car service; the Board, upon hearing the representations of the applicants and those of the Canadian National Railways contra, granted the application and ordered the installation of an interchange track by the Canadian Pacific Railway at its own expense as to construction and maintenance.

Held:

- 1. That the fact that the Canadian National Railways, which owns one line, has a joint ownership with the Canadian Pacific Railway in the other line, does not prevent the Board from exercising its jurisdiction under section 253 of the Railway Act, R.S.C. 1927, chapter 170;
- 2. That the powers of the Board in respect of installation of interchange connections are not affected by the provisions of the joint section agreement; and
- 3. That in cases dealing with interchange facilities the Board has recognized the validity of the argument involving the question of a two-line haul versus single-line haul.

The following cases were referred to:-

(Board of Trade of Penticton, B.C., et al, v. Canadian National and Kettle Valley Ry. Cos., 36 C.R.C. 130; Gillies Bros. and Grand Trunk Ry. Co. v. Canadian Pacific Ry. Co., 4 B.R.C. 337, 18 C.R.C. 44; Moose Jaw Board of Trade v. C.N. and C.P. Rys., 5 B.R.C. 117; Canadian Pacific Ry. Co. v. Saskatoon and Moose Jaw Boards of Trade, 7 B.R.C., p. 400, at p. 401, 22 C.R.C. 349; Western Terminal Elevator Co. Ltd. v. Canadian Pacific Ry. Co., 11 B.R.C. 126, 31 C.R.C. 4; Town of St. Jerome, P.Q., v. Canadian Pacific and Canadian National Ry. Cos., 11 B.R.C. 280, 31 C.R.C. 6.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated November 4, 1929, concurred in by Mr. Commissioner Lawrence. C.R.C., Vol. XXXVI, p. 410.

CITY OF EAST WINDSOR V. CANADIAN NATIONAL RAILWAYS, et al

Railway Crossed by Highway—Subway—Agreement—Apportionment of Cost— Unopened Street—Jurisdiction of Board

The application of the city of East Windsor for authority to construct a subway under the Canadian National Railway where the Drouillard road crosses it at rail level, was granted by the Board. The cost of the construction was ordered to be borne by contribution of 40 per cent from the Railway Grade Crossing Fund, the remainder to be divided equally between the applicant and the railway company; costs of maintenance to be borne by the municipality.

The application as filed requested an order directing the construction of a subway not only to serve the north and south bound traffic on the Drouillard road, but also to serve the east and west bound traffic on Wyandotte street when extended eastward across the line of the Canadian National Railways to join up with Ottawa street, neither of which streets crossed the railway at rail level.

Held:

- 1. That the Board has no jurisdiction to order the construction of a subway to serve the traffic upon Wyandotte street, which street did not cross the railway at rail level.
- 2. The jurisdiction of the Board is not limited or restricted in the matter of apportionment of cost of construction of protection at level crossings by any agreement between the interested parties.
 - (City of Edmonton v. Grand Trunk Pacific Railway Co., 15 C.R.C. 445; Ottawa Electric Railway Co. v. City of Ottawa and Canada Atlantic Railway, 5 C.R.C. 131; G.T. and C.P. Railway Cos. v. City of Toronto, 11 C.R.C. 38 and 12 C.R.C. 378; and Ray v. C.N.R., 16 C.R.C. 276; referred to and followed.)

The facts are fully set out in the judgment of the Chief Commissioner, dated December 19, 1929, concurred in by the Assistant Chief Commissioner. C.R.C., Vol. XXXVI, p. 237.)

BOARD OF TRADE OF PENTICTON, B.C., $et\ al,\ v.$ Canadian national and kettle valley railway companies

Interchange Tracks—Jurisdiction of Board—"Public Interest"—Railway Act, R.S.C. 1927, Chapter 170, Section 253.

There has been a steady broadening of the construction of the Board's powers in regard to interchange tracks. Such construction has been steadily widened in the public interest. The decisions show how broad a construction is given to "public interest."

Upon the application of the Board of Trade of Penticton, B.C., et al., the Board ordered the Canadian National Railways to construct an interchange rack between their railway and the railway of the Kettle Valley Railway Company, at their own expense, both as to construction and maintenance, holding that section 253 of the Railway Act applied.

(London Interchange Case, 6 C.R.C. 327; Gillies Bros. and Grand Trunk Ry. Co. v. C.P.R., 18 C.R.C. 44; Canadian Northern Ontario Ry. Co. v. C.P.R., 20 C.R.C. 200; C.P.R. v. C.N.R. (Drumheller Case), 31 C.R.C. 23; Pembroke Interchange Case, 29 C.R.C. 202; Simcoe Manufacturers and Shippers v. L.E. and N. and G.T. Ry. Cos., 31 C.R.C. 7; Western Terminal Elevator Co. Ltd. v. C.P.R., 31 C.R.C. 4; Town of St. Jerome, P.Q., v. C.P. and C.N. Rys., 31 C.R.C. 6; and Armstrong, Whitworth of Canada, Limited, v. Quebec, Montreal and Southern Ry. Co., 28 C.R.C., 362, referred to and followed.)

The facts are fully set out in the judgment of the Assistant Chief Commissioner, dated October 24, 1929, concurred in by Mr. Commissioner Lawrence. R.C., Vol. XXXVI, p. 130.)

COUNTY OF BEAUCE V. QUEBEC CENTRAL RAILWAY COMPANY AND VILLAGE OF L'ENFANT JESUS

Railway Crossed by Highway-Safety-Convenience-Other Consideration.

Upon application of the Council of the County of Beauce, P.Q., for the construction of a level crossing over the right of way of the Quebec Central Railway, at Valley Junction, in the municipality of L'Enfant Jesus, county of Beauce, P.Q., the Board upon the ground of safety and convenience to the public granted the application for the construction of the proposed crossing which would shorten the distance for traffic from the south about nine-tenths of a mile and give at all times access to the railway station, such traffic only having to cross the branch line once whereas previously it had to pass twice over the main line where railway traffic is much heavier and faster.

Held, that objections as to necessity, difficulty and cost of maintenance of the road or detriment to local trade are factors which cannot be properly urged before the Board. By-laws establishing highways which have been homologated or sanctioned by municipal corporations are not subject to review by the

Board.

The facts are fully set out in the judgment of the Deputy Chief Commissioner, dated November 20, 1929, concurred in by Mr. Commissioner Norris. C.R.C., Vol. XXXVI, p. 417.

FORT ERIE BUSINESS MEN'S CLUB, et al, v. BUFFALO AND FORT ERIE PUBLIC BRIDGE COMPANY, LIMITED

I. Tolls—Bridge—Buffalo, N.Y., to Fort Erie, Ont.—Jurisdiction— 19-20 George V, Chapter 54, Section 1.

Jurisdiction and control over tolls charged in respect of traffic over international bridges was conferred upon the Board by 19-20 George V, chapter 54, section 1, amending section 41 of the Railway Act, R.S.C. 1927, chapter 170.

Held, that the Board, acting alone, cannot deal with the tolls upon that part of an international bridge which is upon United States soil. The Board has no conclusive jurisdiction over such tolls, except as they have to do with that portion of the bridge which extends from the Canadian side to the centre of the river crossed by the bridge. Concurrent action with, or approval by, the proper authority in the United States is necessary to change the tolls.

II. Tolls—International Bridge—Reasonableness—Dismissal.

The Board dismissed the complaint of the Fort Erie Business Men's Club, et al, as to the unreasonableness of the tolls charged for crossing the Peace Bridge between Buffalo, N.Y., and Fort Erie, Ont., upon the ground that the rates charged did not impose an unfair or unreasonable burden upon the users of the bridge and that such rates were not in excess of the value of the service rendered.

The facts are fully set out in the judgment of the Chief Commissioner, dated 31st December, 1929, concurred in by the Assistant Chief Commissioner.

C.R.C., Vol. XXXVI, p. 248.

T.H. & B.R.—QRAINAGE APPLICATION—SECTION 269

The facts as set out in the judgment of the Chief Commissioner, dated July 29, 1929, are that the Toronto, Hamilton & Buffalo Railway Company applied,

under Section 269 of the Railway Act, for authority to construct a drain and lay water pipes through, along, upon, across, or under certain lands adjoining the Applicant Company's right of way between Chatham street and Main street, in the city of Hamilton, belonging to George F. Webb and the Foster Pottery Company, to connect with a sewer of the city immediately south of Main street.

Plans of the proposed location of the drainage works were filed by the railway company. The location passed through a portion of the railway company's yard and certain lands belonging to Mr. Webb and the Foster Company, who objected to such location, and through their Engineers filed plans showing locations wholly on the railway company's property. A dispute having arisen between the railway company and Mr. Webb as to the line of division between his property and that of the railway company, an injunction was obtained from the Supreme Court of Ontario prohibiting trespass upon his (Webb's) land.

Counsel for the railway company asked that the case be traversed, as the Board is seized of questions regarding drainage of water from railway lands, and suggested that the location of the drains be first decided. Inspections of the locality in question were made by the Board's Engineers, who reported in favour of the drainage scheme shown on the plan filed by the company. Later a personal inspection of the property was made by the Board, to form its own judgment and opinion upon the merits of the several schemes for drainage submitted, and it was decided to adopt the recommendation of its Engineers.

Upon the question by what means compensation shall be awarded for whatever damage may be occasioned to the property of adjoining landowners by construction of the drainage works, the Board decided, so as not to appear to encroach upon any phase of the dispute pending before the Court, that if dealt

with by the Court no action on its part would be necessary.

Held, therefore, that authority to construct the drainage works as applied for by the railway company be granted, reserving for further consideration any subsequent motion which any party in interest might make.

CITY OF VANCOUVER AND CANADIAN PACIFIC RAILWAY

Grade Separations on Various Streets Crossed by the Canadian Pacific Railway in the City of Vancouver

The City of Vancouver applied for the elimination of grade crossings at Pender, Hastings, Carrall, Cordova, Powell, Columbia, and Alexander streets. in the City of Vancouver, and for an Order for the permanent diversion of the English Bay Branch of the Canadian Pacific Railway Company by the construction of a tunnel. Applications on behalf of the city and representations from other industries have been before the Board for more than fifteen years for the elimination of highway crossings at grade level over this branch of the Canadian Pacific Railway at different streets between the main line connection of such branch and the Railway Company's yards at False Creek, as well as for a direction for the permanent diversion of the railway by the construction of a tunnel between Pender street and False Creek yards. All traffic originating near False Creek and west of the English Bay Branch passes over seven level crossings and the Georgia Street viaduct in its approach to the eastern part of the city. In 1912 the Board, upon application, directed the Canadian Pacific Railway Company to submit plans with estimates of cost of the said tunnel. Different schemes were submitted for the elimination of these grade crossings. those, a projected tunnel by way of Thurlow and Dunsmuir streets was admitted by the Railway Company and the city as best meeting the situation. This proposal was also approved by the Board's Chief Engineer. Because of the war action was not then proceeded with. The Railway Company objects that since its traffic has not materially increased, the construction of the proposed tunnel is, even now, not necessary. The population of the city has largely increased since the grade proposal was first placed before the Board. The esti-

mated cost of the work is \$1,720,000.

Held, Chief Commissioner McKeown in his judgment dated May 29, 1929, concurred in by Commissioner Norris, following the recommendation of the Chief Engineer of the Board, that the application be allowed and that the Canadian Pacific Railway Company be required to construct a tunnel connection between its main line and False Creek yards, by way of Thurlow and Dunsmuir streets, approximately on the location shown in the report on grade separation, English Bay Branch of the Canadian Pacific Railway, made by Sydney E. Junkins Company, Limited, Engineers, filed with the Board and approved by its Chief Engineer. A general plan, profile, and book of reference to be filed for the approval of the Board, and detail plans for the approval of an Engineer of the Board. Work to be commenced not later than October 1, 1929, and completed by December 31, 1930.

As to the cost of the work, the city will benefit to a large extent by the disappearance of the level crossings; the British Columbia Electric Railway Company, whose line crosses the Canadian Pacific Railway's track at Hastings street, will also benefit by the elimination of two level crossings. The decision of the Board, with reference to the allocation of costs and other incidental matters, to await further representations on behalf of all the parties

in interest.

APPEALS FROM RULINGS OF THE BOARD

There were three cases carried in appeal to the Supreme Court during the year, namely,—

- 1. Appeal by the Toronto Transportation Commission from Order of the Board No. 40120, dated January 3, 1928, requiring the Toronto Transportation Commission to contribute towards the cost of reconstructing the bridge over the tracks of the Canadian National Railways at Main street in the city of Toronto, Ont.—Dismissed.
- 2. Appeal by the Montreal Tramways Company against Order No. 42501 as amended by Order No. 42773, dated June 7, 1929. Question of jurisdiction. —Dismissed.
- 3. Appeal by the Canadian National Railways from Order of the Board No. 41945, dated December 21, 1928, authorizing the opening for the carriage of traffic portion of its line from Mile 361·3 at Willingdon to Mile 428·7 at Strathcona, Alta. Law and jurisdiction.—Dismissed.

And one case carried in appeal to the Governor General in Council, namely,—

Appeal by the United Farmers of British Columbia, Fraser Valley District Council, in the matter of General Order No. 448, dated August 26, 1927, and the freight rates on grain and flour and grain products moving over the Canadian Pacific and Canadian National Railways lines.—Pending.

ORDERS, GENERAL ORDERS AND CIRCULARS

The total number of orders issued for the year ending December 31, 1929, was 2,144. The number of general circulars issued by the Board, directed to all the railway companies subject to its jurisdiction, was four. The general

orders as distinguished from other orders of the Board are those affecting all railway companies subject to its jurisdiction, and are sixteen in number for the year.

A list of the general orders and circulars for the year ending December 31, 1929, will be found compiled under appendix F to this report.

APPLICATIONS TO THE BOARD

The total number of applications, including informal complaints made to the Board, for the year ending December 31, 1929, was 3,796.

TRAFFIC DEPARTMENT OF THE BOARD

In the Traffic Department of the Board the number of tariffs received and filed for the year ending December 31, 1929, was as follows:—

Freight tariffs, including supplements 32 Passenger tariffs, including supplements. Express tariffs, including supplements. Telephone tariffs, including supplements. Sleeping and parlour car tariffs, including supplements. Telegraph tariffs and supplements.	, 489 , 025
47	, 051

The total number of tariffs filed from February 1, 1904, to December 31, 1929, was 1,578,238.

The details of the tariffs will be found under appendix A to this report.

ENGINEERING DEPARTMENT OF THE BOARD

In the Engineering Department of the Board a large number of inspections were made covering the whole Dominion. These inspections for the year ending December 31, 1929, number 310, and cover inspections for the opening of railways for the carriage of traffic, inspections of culverts, highway crossings, cattle-guards, road crossings, bridges, subways, and general inspections falling within the scope of the work of the Engineering Department.

Under appendix B will be found a detailed report of the Chief Engineer.

OPERATING DEPARTMENT OF THE BOARD

Under the work of this department is included the inspection of locomotive boilers and their appurtenances, the inspection of safety appliances on cars and locomotives, the investigations into accidents causing personal injury or loss of life, the reporting on the locations of stations, matters of protection at highway crossings, and train and station services performed by the railway companies.

Under appendix C will be found a full and detailed report of the Chief Operating Officer of the department.

ACCIDENTS AND ACCIDENT INVESTIGATIONS

On reference to the report of the Board's Chief Operating Officer, it will be seen that accidents to the number of 2,780, covering 426 persons killed and

2,954 injured, were reported to the Board during the year ending December 31, 1929, as compared with 3,013 accidents reported for the year 1928, covering 445 persons killed and 3,193 injured.

The figures given show:-

- (1) Eighteen passengers killed during the year 1928 and 16 passengers killed during the year 1929, a decrease of 2. The number of passengers injured was 301 in 1928, as compared with 349 in 1929, an increase of 48.
- (2) One hundred and nine employees killed in 1928 and 105 in 1929; a decrease of 4. The number of employees injured was 2,171 in 1928 as compared with 1,891 in 1929, a decrease of 280.
- (3) Three hundred and eighteen others killed in 1928 and 305 in 1929, a decrease of 13. The number of others injured was 721 in 1928, as compared with 714 in 1929, a decrease of 7.

It is pointed out that out of the 305 others killed, 142, or 46 per cent, were trespassers, and that out of the 714 others injured, 136, or 19 per cent, were trespassers.

It will be noted that of what may be termed preventable loss, there were 142 killed under the heading "Trespassers" and 136 injured. This is an increase of 15 in the number of killed, and a decrease of 3 in the number of injured, as compared with the year 1928.

The following table shows the total, by provinces, as regards trespassers killed and injured, for the year ending December 31, 1929:—

Province	Killed	Injured
2 20 7 21100	Я	8
Nova Scotia	1	Q
New Brunswick.	1	00
Quebec	18	24
Ontario	59	44
Ontario	17	14
Manitoba	13	11
Saskatchewan	10	10
Alberta	15	10
British Columbia	13	13
Dri(isii Columbia		
	142	136

Attention is again directed to statement No. 15, setting out in detail the situation as regards highway crossing accidents during the past five years. It will be observed therefrom that there has been a total of 1,619 accidents, covering 617 persons killed and 2,154 injured.

Crossings protected by gates accounted for 17 persons killed and 69 injured. Crossings protected by bell accounted for 90 killed and 261 injured. Crossings protected by watchman accounted for 8 killed and 62 injured. Crossings unprotected accounted for 502 killed and 1,762 injured.

There have been 336 accidents at protected crossings, covering 115 persons killed and 392 injured, and at unprotected crossings there have been 1,283 accidents, covering 502 persons killed and 1,762 injured.

There were 390 highway crossing accidents investigated during the year 1929, of which number 79 occurred at protected crossings, leaving unprotected crossings to account for 311 accidents.

Automobile accidents totalled 339, divided as follows:—

At crossings protected by gates	7
At crossings protected by watchman	8
At crossings protected by bell.	47
At crossings unprotected	277

Horse and rig accidents numbered 23, made up as follows:-

Gates Watchman																					
Watchman.				 				 			 	٠.	 	٠.				٠.	٠.	٠.	
Bell				 				 			 ٠.		 	٠.			٠.	٠.	٠.		
Unprotected				 				 			 * *.	٠.	 	٠.				٠.		٠.	
				 				 			 		 		٠.,					٠.	. 2
Podoatrion	annid	on ta	20.2	 l		.1 4	വ		c 1	7											
Pedestrian																					
Gates																					
Gates																					
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During the year 1929 there were 382 accidents at highway crossings reported to the Board, covering 140 persons killed and 495 injured, as compared with 371 accidents in 1928, covering 173 persons killed and 475 injured.

Full particulars of passengers and employees killed and injured, and other general information in regard to trespassers killed and injured, accidents at protected and unprotected crossings, etc., will be found under appendix G.

FIRE INSPECTION DEPARTMENT OF THE BOARD

The Board's Fire Inspection Department reports that due to prolonged drought and high winds in the West, the forest fire record of the railways in 1929 was somewhat less favourable than for some years previous. The railways were, however, responsible for not more than a very small percentage of the forest fire losses of the Dominion as a whole. Considering weather conditions, the showing made by the railways was distinctly creditable.

The railways are reported as having been responsible for the origin of 820 fires in forest lands, burning over an area of 29,667 acres, with forest and other property loss valued at \$40,958. Of the area burned, only 5,634 acres were young forest growth and 1,686 acres merchantable timber, the balance being slashing or old burn not restocking or non-forest lands. The bulk of the area and damage occurred in connection with fires incident to new railway construction in Saskatchewan and British Columbia.

Fires occurring east of the Great Lakes, attributed to the railways, account for 31 per cent of the number, 12 per cent of the area and 11 per cent of the damage attributed to railway fires throughout the Dominion.

Under the Board's requirements, 5,916 miles of fire guards were constructed by the railways in uncultivated lands in non-forest portions of the Prairie Provinces, in addition to a large mileage in cultivated lands for the protection of crops and buildings.

Officers of the Fire Inspection Department made 4,435 inspections of fire protective appliances on locomotives, finding 2.75 per cent defective.

Under the Board's fire patrol requirements, administered by the Fire Inspection Department, the railways maintained a special patrol organization on 7,978 miles of track, involving the part time or full time services of 1,012 railway employees in the prevention and control of fires along these lines.

The field organization of the Fire Inspection Department comprised 180 officers of forest protection services, Dominion and Provincial, throughout Canada. The part time or full time services of these men are made available for the Board's railway fire inspection, under co-operative arrangements inaugurated in 1912.

Under appendix D will be found the Chief Fire Inspector's report.

BOARD

The following change has taken place in the composition of the Board during the year ending December 31, 1929—that is to say, the vacancy caused by the retirement of the Hon. Frank Oliver, Commissioner, has been filled by the appointment of Mr. John A. Stoneman, of Saskatoon, Sask.

ROUTINE WORK OF THE ROAD

RECORD DEPARTMENT

Below is given a table setting forth the number of applications, filings and letters received during the year ending December 31, 1929, together with the number of orders issued:—

Number of applications made	3,796
Number of filings received during the year.	36,425
	28,625
Number of orders issued during the year.	2,144

APPENDIX A

REPORT OF THE CHIEF TRAFFIC OFFICER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1929

Dear Sir,—I submit for the Board's twenty-fifth report information regarding work of the Traffic Department.

The number of freight, passenger, express, telephone, telegraph, and sleeping and parlour car schedules filed with the Board was as follows:—

FROM NOVEMBER 1, 1904, TO AND INCLUDING DECEMBER 31, 1928

Freight—		EMBER 3	1, 1928
Local tariffs. Supplements.	19,989 41,895		
Joint tariffs Supplements	45 000	61,884	
International tariffs Supplements	177 000	233,871	
Passenger—	637,065	814,868	1,110,623
Local tariffs. Supplements.	20, 275 27, 086		-, 110, 020
Joint tariffs. Supplements.	20,944 35,159	47,361	
International tariffs. Supplements.	41, 104 92, 565	56, 103	
Express—		133,669	237, 133
Local tariffs. Supplements.	6,454 58,417	. 64,871	
Joint tariffs. Supplements.	6,839 30,397	ŕ	
International tariffs Supplements	7,653 13,642	37,236	
Telephone—		21,295	123,402
Local tariffs Supplements.	4,078 2,673	0 774	
Joint tariffs Supplements	3,933 35,701	6,751	
International tariffsSupplements	429 9,719	39,634	
Telegraph—		10,148	56,533
Tariffs Supplements	210 279	489	
Sleeping and Parlour Car-			489
Local tariffs Supplements	239 342	501	
Joint tariffs Supplements	319 534	581	
International tariffs Supplements.	387 1,186	853	
Grand Total		$\frac{1,573}{\dots}$	3,007 531,187

FROM JANUARY 1, 1929, TO AND INCLUDING DECEMBER 31, 1929

PROM SILITOILLE A)			
Freight— Local tariffs. Supplements.	249 440	689	
Joint tariffsSupplements	360 7,454	7,814	
International tariffsSupplements	1,512 12,700	24,212	
	_		32,715
Passenger— Local tariffs Supplements	24 582	606	
Joint tariffsSupplements	1,933	2,022	
International tariffsSupplements	462 4,399	4,861	
	-		7,489
Express— Local tariffs Supplements	42 68	110	
Joint tariffsSupplements	68 1,729	1,797	
International tariffsSupplements	3,030	3,118	
***			5,025
Telephone— Local tariffsSupplements	$\begin{array}{c} 42 \\ 5 \end{array}$	477	
Joint tariffsSupplements	8 1,693	47	
International tariffsSupplements		1,701	
Supplements			1.748
Telegraph— Tariffs			
Supplements.	6	6	
- 1. O	-		6
Sleeping and Parlour Car— Local tariffs	4 7		
Supplements		11	
Joint tariffsSupplements		14	
International tariffs	. 12	14	
Supplements		43	68
		-	
Total		-	. 47,051
Combined total all schedules			1,578,238

In the annual report for 1928, information regarding the work in connection with settlement of accounts under the Maritime Freight Rates Act covered the period July, 1927, to June, 1928.

The information given below covers the period July, 1928, to June, 1929.

During this period there were filed 21,821 sheets with an average of 74 rates per sheet. There were therefore 1,614,754 rates and 807,377 extensions checked, and 21,821 columns of figures added.

As a result of this check it was necessary to issue 6,872 corrections, an average of 573 per month.

The total additions to the accounts amounted to \$2,186.35 and the total deductions \$10,664.68.

The total amount claimed by railway companies was \$857,893.80 and the

amount allowed was \$849,415.47, or a net deduction of \$8,478.33.

The number of outgoing letters in connection with the administration of the Act, July 1, 1928, to June 30, 1929, was as follows: Board, 48; railways, 1,887; others, 59.

During this period 158 orders were issued approving tariffs or rates and

certifying to the normal tolls.

The number of communications to railways, express, telephone and telegraph companies in connection with complaints, proper interpretation of tariffs, or classification and filing of same, also in connection with powers of attorney, concurrences, etc., was 645. Communications to others were 750, or a total of 1,395.

The following is a list of Traffic Orders issued, also a list of Orders approving Connecting Agreements or Service Station Contracts between the Bell Telephone Company and named local telephone companies:-

TRAFFIC ORDERS

No. 42013, January 7, 1929. Dismissing application of W. B. Plaunt, et al., for an order requiring railway companies to reduce the rates charged for the transportation of pulpwood, in carloads, from shipping points in the Dominion of Canada to Johnsonburg, Pa., U.S.A.

No. 42079, January 3, 1929. Dismissing complaint of Canadian Coal Supply against demurrage charges assessed on a car of coal consigned to complainant at Toronto over the Canadian Pacific and Canadian National Railways.

No. 42119, January 30, 1929. Rescinding Order No. 31625, dated October 5, 1921, with respect to rates on cooperage stock from Smith's Falls to Montreal.

No. 42200, February 15, 1929. Amending Order No. 30063, dated September 3, 1920, regarding conditions governing acceptance of messages for the

United Kingdom routed via Marconi.

No. 42205, February 12, 1929. Directing that, not later than February 28, 1929, item 225 in Canadian Pacific Railway's tariff C.R.C. No. W-2857 and item 590 in Canadian National Railways' tariff C.R.C. No. W-522, publishing commodity rates on canned goods as described in said items, be amended by publishing from Ashcroft, British Columbia, to destinations in Alberta, Saskatchewan, Manitoba, and Ontario (Port Arthur and west thereof), the same carload rates on such commodities as at present in effect from Kamloops, British Columbia; and dismissing complaint of the Ashcroft Canners, Limited, against the existing rates on canned goods from Ashcroft, British Columbia, to Vancouver, Victoria, and New Westminster, British Columbia.

No. 42212, February 13, 1929. Declaring that switching charges assessed by the Great Northern Railway Company on carload shipments from the plant of the Broder Canning Company, Limited, New Westminster, British Columbia,

are governed by the provisions of the Board's General Order No. 252.

No. 42242, February 23, 1929. Approving Article X of by-law of Railway Express Agency, Inc., authorizing the Vice-President, Traffic Department of the

Corporation, to prepare and issue tariffs of tolls.

No. 42359, March 22, 1929. Refusing application of the Canadian pulpwood dealers and the Castanea Paper Company of Johnsonburg, Pa., for a econsideration of the judgment of the Board in the matter of the application of W. B. Plaunt, et al, regarding rates on pulpwood, dismissed by Order No. 12013, dated January 7, 1929.

General Order No. 469, March 26, 1929. Amending General Order No. 271, by adding the names of "The Manufacturers' Association of British Columbia" and the Transportation Commission of the Maritime Board of Trade, as parties to receive proof copies of tariffs of railway and express companies.

No. 42425, April 8, 1929. Approving by-law of the Wabash Railway

authorizing L. W. Cole to prepare and issue tariffs of freight tolls.

No. 42472, April 13, 1929. Approving by-law No. 11 of the Vancouver, Victoria and Eastern Railway and Navigation Company authorizing P. H. Burnham of St. Paul to prepare and issue tariffs of tolls.

No. 42479, April 19, 1929. Refusing application of the Border Cities Coal Company, et al., with respect to rates on bituminous coal from Detroit, Michi-

gan, to the Border Cities, Windsor, Walkerville and Sandwich, Ontario.

No. 42480, April 19, 1929. Approving Supplement No. 6 to Express Classi-

fication for Canada No. 7.

No. 42495, April 22, 1929. Dismissing application of the Stephens-Adamson Mfg. Co. Ltd., of Belleville, Ontario, with respect to rates on 7 carloads of conveying machinery shipped from Belleville, Ontario, to Noranda, Quebec.

General Order No. 470, April 19, 1929. Amending paragraphs 1631 and 1634 of Regulations for the Transportation of Explosives and other Dangerous

Articles by Freight.

General Order No. 471, May 2, 1929. Amending General Order No. 271 by adding the name of A. Chard, Freight and Traffic Supervisor, Department of Railways and Telephones, Edmonton, Alberta, to list of parties to whom advance proofs of proposed changes in Canadian Freight Classification are to be forwarded.

No. 42586, May 6, 1929. Directing that the period for coal movement from Alberta during 1930 shall be from January 15 to July 15; and that the rate of \$6.75 established by Order in Council P.C. 439 be effective during such

period.

No. 42659, May 23, 1929. Approving Canadian National Railways Standard Passenger Tariff C.R.C. No. 65, covering maximum passenger fares in the

city of Niagara Falls, including the township of Stamford, Ontario.

No. 42680, May 23, 1929. Authorizing Canadian carriers to publish, on one day's notice, tariffs containing reduced rates on grain and wheat flour from Ontario shipping points to the Atlantic seaboard for export, to meet the reductions made by the United States lines.

General Order No. 472, May 20, 1929. Striking out paragraph 1866 of Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, and a new paragraph substituted with respect to labels to be used

on containers of dangerous articles transported by freight.

No. 42720, May 29, 1929. Declaring that the rate applicable on a carload of marble chips from Montreal wharf to Toronto via the Canadian Pacific Railway in June, 1926, was 28 cents per 100 pounds, plus 4 cents terminal charge.

No. 42746, May 31, 1929. Approving supplement No. 8 to tariff C.R.C. No. E.T. 694 covering regulations for transportation of acids, inflammables,

oxidizing substances and samples of explosives, by express.

General Order No. 474, May 31, 1929. Cancelling Specification No. 6, section 43, of Regulations for Transportation of Explosives and Other Dangerous Articles by Freight, and inserting in lieu thereof a new clause respecting fibreboard cases.

No. 42807, June 10, 1929. Dismissing applications of Vancouver Milling and Grain Company, Limited, and Vernon and Buckerfield, Limited, Vancouver, B.C., with regard to rates on poultry food.

No. 42808, June 10, 1929. Directing the British Columbia Electric Railway Company, Limited, and Canadian National Railways to publish and file, effective not later than July 15, 1929, between stations on the Vancouver and Lulu Island Railway and points on the Canadian National Railways via direct connection between the companies, joint rates on the same basis as those now published between the said Vancouver and Lulu Island points and stations on the Canadian Pacific Railway.

General Order No. 476, June 17, 1929. Approving Supplement No. 5 to

Canadian Freight Classification No. 17.

No. 42911, July 2, 1929. Postponing the effective date of Order No. 42808 with respect to joint rates between the Vancouver and Lulu Island Railway

and Canadian National Railways until August 1, 1929.

General Order No. 477, June 26, 1929. Directing that Section 3 of General Order No. 271 be struck out and that a new section be substituted therefor, prescribing certain symbols to indicate changes in rates or charges, rules, regulations or practices in freight tariffs.

No. 42931, July 8, 1929. Suspending certain tariff schedules providing for changes and advances in rates on newsprint paper, in carloads, from Canadian

shipping stations to destinations in the United States.

No. 42971, July 16, 1929. Extending until July 31, 1929, the period of coal movements during the year 1929, as provided for under Order No. 41897.

No. 42994, July 15, 1929. Suspending until further order, and pending hearing by the Board, Order No. 42808, dated June 10, 1929, with respect to joint rates between stations on the Vancouver and Lulu Island Railway and points on the Canadian National Railways.

General Order No. 479, June 28, 1929. Approving the Rules and Regulations Governing the Construction and Filing of Freight and Passenger

Schedules, published in Circular No. 223.

Order No. 43038, July 23, 1929. Amending Order No. 42931, dated July 8, 1929, to apply to advances and changes in the rates on newsprint paper and

paper articles, in carloads, as shown in the tariffs specified.

No. 43065, July 30, 1929. Permitting the Great Northern Railway to file, effective July 26, 1929, a switching rate of 1½ cents per 100 pounds, minimum charge \$7.50 per car, on canned goods, jam and barrelled berries from the plant of the Broder Canning Company at New Westminster to the Canadian Pacific Railway Company's interchange at Westminster.

No. 43083, July 31, 1929. Dismissing application of the Canadian National Railways for leave to appeal to the Supreme Court of Canada from General Order No. 448, dated August 26, 1927, regarding railway freight rates in Canada, on the questions of law or of jurisdiction, or of both law and jurisdiction.

No. 43176, August 6, 1929. Approving by-law No. 2 of the Northern Alberta Railways Company appointing the General Manager and General Freight Agent, and the General Manager and General Passenger Agent to prepare and issue tariffs of tolls.

No. 43187, August 10, 1929. Permitting the Canadian National Railways to issue a supplement to tariff C.R.C. No. E-881, eliminating therefrom stations, Index Numbers 3581 to 3645 inclusive, shown as Quebec Oriental Branch and Atlantic, Quebec and Western Branch in Supplement No. 19 to said tariff.

No. 43201, August 9, 1929. Rescinding Order No. 41332, dated September 8, 1928, regarding advance in rate on anthracite coal from Montreal to Farnham, Quebec.

No. 43207, August 14, 1929. Permitting the Canadian National Railways to publish, effective August 15, 1929, a further supplement to tariff C.R.C. No. W-488 to correct an error.

No. 43213, August 14, Approving Northern Alberta Railways Standard

Passenger Tariff C.R.C. No. 2.

No. 43261, August 14, 1929. Approving Supplement No. 2 to tariff C.R.C. No. E.T. 700 of the Express Traffic Association, covering regulations for the transportation by express of acids, inflammables and oxidizing substances.

No. 43280, August 22, 1929. Approving by-law No. 3 of the Northern Alberta Railways Company, authorizing the General Manager to prepare and

issue tariffs of tolls.

No. 43324, September 3, 1929. Permitting the Canadian National Railways to file upon one day's notice a further supplement to their tariff C.R.C. No. E-547 eliminating routing via North Bay and substituting therefor routing via Canadian National Railways direct, on Asphalt and Asphaltum from Montreal, Quebec, to Cochrane, Ontario.

No. 43347, September 6, 1929. Approving Canadian National Railways cancellation Supplement No. 2 to Quebec, Montreal and Southern Railway

Standard Freight Mileage Tariff C.R.C. No. 750.

No. 43361, September 9, 1929. Permitting the New York Central Railroad to publish and file, effective September 15, 1929, a supplement to tariff C.R.C. No. 3320 adding scale of rates for rate basis No. 46.

No. 43449, September 21, 1929. Approving Supplement No. 7 to Express

Classification for Canada No. 7.

No. 43549, October 10, 1929. Approving Supplement No. 8 to Express

Classification for Canada No. 7.

No. 43563, October 10, 1929. Approving Supplement No. 2 to Inverness Railway and Coal Company's tariff C.R.C. No. 19, Supplement No. 2 to Atlantic, Quebec and Western Railway Company's tariff C.R.C. No. 83 and Quebec Central Railway tariff C.R.C. No. 101.

No. 43630, October 18, 1929. Approving Supplement No. 9 to Express

Classification for Canada No. 7.

No. 43634, October 17, 1929. Dismissing application of the Winnipeg Board of Trade for an order directing the Canadian Pacific and Canadian National Railways to provide excursion rates from Eastern to Western Canada.

No. 43662, October 23, 1929. Dismissing complaint of the Wilson Box and Lumber Company, Limited, with respect to carload classification rating on nailed wooden boxes, set up, vs. wooden wirebound boxes, knocked down.

No. 43663, October 23, 1929. Approving Supplement No. 3 to tariff C.R.C. No. E.T. 700 and Supplement No. 10 to tariff C.R.C. No. E.T. 694, covering specifications and regulations for the transportation by express of acids, inflammables, oxidizing substances and samples of explosives.

General Order No. 481, October 3, 1929. Authorizing provisions of paragraph 1903 (a) of Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, as set out in General Order No. 466, to be made

effective November 25, 1929, and amending General Order No. 466.

No. 43681, October 24, 1929. With regard to application of Herbert J. Loney, Vancouver, it is declared that item 240-A in Agent Ransom's tariff C.R.C. No. 256 is not applicable to a shipment made from Montreal to Vancouver in November, 1928, weighing 540 pounds, consisting of bathrobes made of beacon cloth, trimmed with silk or artificial silk.

No. 43707, October 25, 1929. Approving section 1 of Northern Alberta Railways Company Standard Local Freight Distance Class Tariff, C.R.C. No. 3, and tentatively approving section 2 of the said tariff, pending sub-

mission in justification of the higher basis named therein.

No. 43712, October 30, 1929. Dismissing complaint of the Thermos Bottle Company, Limited, Toronto, regarding the classification of thermos bottles and

lunch boxes containing thermos bottles.

General Order No. 482, October 26, 1929. Directing that provisions of paragraph 1903 (a) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, as set out in General Order No. 466, be made effective on the 20th of December, 1929; and amending General Order No. 481 by striking out the 1st paragraph thereof.

No. 43744, November 2, 1929. Dismissing application of the Calgary Board of Trade for a reduction in the class rates from Winnipeg to Calgary to

the same basis as applicable from Winnipeg to Edmonton.

No. 43757, November 4, 1929. Dismissing complaint of Brookfield Brothers, Limited, of Halifax, Nova Scotia, regarding the classification of dressed wood goods in Eastern Canada as compared with the classification given the same goods in Western Canada.

No. 43767, November 6, 1929. Disallows rates on salt from points in the state of New York to Ottawa and Cornwall, Ontario, and in lieu of the tolls so disallowed, directs that the rate on salt, in carloads, from New York State shipping points to Cornwall and Ottawa, Ontario, shall not be less than 281 cents per 100 pounds, in so far as such rate applies for movement over the New York Central Railroad in Canada.

No. 43801, November 9, 1929. Approving standard passenger fare of 3.45 cents per mile published in Northern Alberta Railways Company tariff C.R.C. No. 19, and tentatively approving standard passenger fare of 5 cents per mile between Lac la Biche, Alberta, and Waterways, Alberta, pending submissions by the railway company to justify the higher basis for the section herein affected.

No. 43813, November 16, 1929. Approving Canadian Transit Company's by-law, dated November 4, 1929, covering tolls to be charged in respect of the Ambassador bridge between Sandwich and Detroit.

No. 43897, November 30, 1929. Directing that the period of coal movements during 1929-1930, subject to the grain traffic having priority as provided for under Order No. 41897, be fixed to commence on the 1st December, 1929, and to end on July 31, 1930.

No. 43917, November 29, 1929. Approving Supplement No. 10 to Express

Classification for Canada No. 7.

No. 44036, December 18, 1929. Approving International Railway Company by-law, dated December 9, 1929, authorizing B. J. Yungbluth, President and General Manager, to issue tariffs of tolls.

No. 44044, December 19, 1929. Approving Buffalo and Fort Erie Public Bridge Company by-law, dated December 9, 1929, authorizing the president,

vice-presidents and secretary to prepare and issue tariffs of tolls.

No. 44045, December 20, 1929. Dismissing application of the city of Vancouver, British Columbia, for an order directing the Vancouver and Lulu Island Railway to reduce its passenger fares on its line from 25th avenue, Vancouver, to Marpole, B.C.

No. 44078, December 24, 1929. Approving Northern Alberta Railways Company Standard Passenger Tariff of Sleeping and Parlour Car Tolls, C.R.C.

No. S-1.

No. 44094, December 27, 1929. Dismissing application of the Canada Rice Mills, Limited, and Martin and Robertson, of Vancouver, British Columbia, for an order requiring the freight rate on milled (cleaned) rice in carloads, from Vancouver to Quebec and intervening points reduced to the special commodity blanket rate of 75 cents per 100 pounds which prevailed between April 24, 1922, and May 17, 1925.

13756-31

TELEPHONE ORDERS

Order No.	Date	Connecting Company
	1929	
		Rupert and North Wakefield Telephone Company.
42032	Jan. 14	Diano Sottlement Telephone Company.
42093	" 24	La Compagnie de Telephone de Woburn.
42113 42122	" 30	Core "C" Telephone Company.
42171	Feb. 6	Dr. Henderson Telephone Company.
42211	" 15	Le Telephone Woburn. Commissioners for the Telephone System of the Municipality of the Township
42308	Mar. 6	Commissioners for the Telephone System of the Manierparity of the
	" 98	of South Monoghan. Leeds and Grenville Independent Telephone Company.
42388	20	Beckwith and Montague Rural Telephone Company.
42448	April 10	Wolftown Telephone Company.
42449 42450	" 8	Metcalfe Rural Telephone Company.
42450	" 11	McNah Telephone Company.
42466	66 11	Prescott Rural Telephone Company.
42467	" 11	Glengarry Telephone Company.
42570	May 1	Pontiac Rural Telephone Company.
42608	" 11	Campbell's Bay Rural Telephone Company. Drummond and Elmsley Telephone Company.
42721	00	
42735	" 30 " 30	Commissioners for the Telephone System of the Municipality of the Township
42744	30	of Bruce.
42765	June 4	Leslie I Finnie.
42821	" 18	Hazeldean Rural Telephone Company.
42827	" 18	Russell Rural Telephone Company.
42919	July 3	Russell Rural relephone Company. Commissioners for the Telephone System of the Municipality of the Township
10010	" 20	of Watt. Fretts and Brisco Telephone Company.
43013	20	In of Ontonio (Rummoch Tolophone Line)
43184 43299	Aug. 6	Floward M. Reid and Ernest Johnston (Marysburg Telephone Company).
43313	" 27	Currenier Tolophone Club
43335	" 30	E. L. Van Luven (The Moscow Rural Telephone Association).
43336	" 30	The Enterprise Telephone System.
43337	" 30	Redden Telephone Company.
43378	Sept. 10	New Brunswick Telephone Company. The Verona and Frontenac Telephone Company.
43381	9	Manly Foster (Yarker Telephone Company).
43391	" 11 " 11	Farmers' Telephone Company of Durham.
43392 43393	" 11	La Compagnie de Telephone de Spring Hill.
43529	Oct. 1	Comparison Tolombono Club
43571	9	Department of Lands and Forests of the Province of Ontario.
43574	" 10	The Monk Rural Telephone Company.
43596	" 11	The Joliette Telephone Corporation.
43714	" 28	The Masham Telephone Company.
43862	Nov. 25	International Nickel Company of Canada, Limited.
	1	

APPENDIX B

REPORT OF THE CHIEF ENGINEER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1929

OTTAWA, ONT., February 22, 1930.

A. D. CARTWRIGHT, Esq.,

Secretary, Board of Railway Commissioners for Canada, Ottawa, Ont.

SIR,—I have the honour to submit herewith synopsis of my annual report as to the work of the Engineering Department of the Board during the year 1929.

Yours truly,

T. L. SIMMONS, Chief Engineer.

ROUTE MAPS

General location of the Canadian Pacific Railway from section 7, township 2, range 24, W. 2 meridian, at mile 64.9 to section 4, township 2, range 24, W. 2 meridian, province of Saskatchewan.

General location of transmission line of Gatineau Power Company from a point in lot 18, range 2, township of Grenville, county of Argenteuil, province of Quebec, to a point in lot 13, Broken Front concession, township of west

Hawkesbury, county of Prescott, province of Ontario.

General location of the Archive-Wymark Branch of the Canadian Pacific Railway from a point near Archie in section 23, township 15, range 27, W. 2 meridian at mile 0 to a point in section 32, township 15, range 27, W. 2 meridian at mile 3.00 in the province of Saskatchewan.

General location of the Kootenay Landing-Proctor Branch of the Canadian

Pacific Railway from mile 0 to mile 34.34, province of British Columbia.

General location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from mile 0 to 20 and from mile 40 to 56.56, province of Saskatchewan.

General location of the Lanigan Prince Albert Branch of the Canadian Pacific Railway from section 33, township 41, range 24, W. 2 meridian at mile

56.56 to Prince Albert at mile 117.3 in province of Saskatchewan.

General location of a portion of the Acme Northwesterly Branch of the Canadian Pacific Railway from section 16, township 33, range 26, W. 4 meridian, at mile 26.00 to section 35, township 33, range 26, W. 4 meridian at mile 28.5, province of Alberta.

General location as revised of a portion of the Swift Current northwesterly branch of the Canadian Pacific Railway from section 4, township 30, range 9, W. 4 meridian at mile 187.9, to section 31, township 30, range 9, W. 4 meridian

at mile 193.8, province of Alberta.

General location of a portion of the Rush Lake northeasterly branch of the Canadian Pacific Railway from section 1, township 17, range 11, W. 3 meridian at mile 0.0 to section 36, township 19, range 7, W. 3 meridian at mile 40 in province of Saskatchewan.

General location of a portion of the Tuffnell-Prince Albert Branch of the Canadian Pacific Railway from section 1, township 52, range 15, W. 2 meridian at mile 139.1 to section 9, township 52, range 15, W. 2 meridian at mile 142.94.

General location of the Sudbury Basin Branch of the Canadian Pacific Railway from a point on its main line near Chelmsford at mile 0 to a point on southern boundary of the township of Trill, province of Ontario, a distance of 20 miles.

General location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 15, township 45, range 24, W. 2 meridian at mile 81.0 to section 21, township 46A, range 25, W. 2 meridian at mile 93.14 in

province of Saskatchewan.

General location of the Bromhead westerly branch of the Canadian Pacific Railway from section 36, township 2, range 20, W. 2 meridian at mile 43.1 to section 34, township 2, range 20, W. 2 meridian at mile 45.8 in the province

of Saskatchewan.

General location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 1, township 37, range 23, W. 2 meridian at mile 21.9 to section 24, township 37, range 23, W. 2 meridian at mile 24.9 and from section 8, township 38, range 22, W. 2 meridian at mile 29.8 to section 27, township 39, range 23, W. 2 meridian at mile 40.9 in province of Saskatchewan.

General location of a portion of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from mile 111.4 to 118.0 at Prince Albert,

Saskatchewan.

LOCATION

Location of transmission line of the Gatineau Power Company from a point in lot 18, range 2, township of Grenville, in county of Argenteuil, province of Quebec, to a point in lot 13, Broken Front concession, township of West Hawkesbury in the county of Prescott, province of Ontario, a distance of 3.A miles.

Location of a portion of the Lloydminster northeasterly branch of the Canadian Pacific Railway from section 34, township 51, range 27, W. 3 meridian at mile 15.72 to section 15, township 50, range 25, W. 3 meridian, mile

35.03, province of Saskatchewan.

Location of a portion of the Acme northwesterly branch of the Canadian Pacific Railway from section 32, township 29, concession 25, W. 4 meridian, mile 0.0 to section 22, township 33, range 26, W. 4 meridian, mile 26.35, province of Alberta.

Location of a portion of the Tuffnell-Prince Albert Branch of the Canadian Pacific Railway from section 13, township 52, range 15, W. 2 meridian,

at mileage 195, province of Saskatchewan.

Location of a portion of the Swift Current northwesterly Branch from section 32, township 51, range 14, W. 4 meridian at mile 334.30 to 339.44 and revised location from mile 339.44 to a point in section 31, township 54, range 14, W. 4 meridian at mile 351.74, province of Alberta.

Location of a portion of the Archive-Wymark Branch of the Canadian Pacific Railway from section 23, township 15, range 27, W. 2 meridian at mile

0.0 to section 25, township 14, range 1, W. 3 meridian at mile 21.25.

Location of a portion of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 21, township 33, range 22, W. 2 meridian at mile 0 to section 33, township 41, range 24, W. 2 meridian at mile 56.56, province of Saskatchewan.

Location of a portion of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 33, township 41, range 24, W. 2 meridian at mile 56:56 to section 20, township 46, range 24, W. 2 meridian at mile 90:1 in

province of Saskatchewan.

Location of a portion of the Sudbury Basin Branch of the Canadian Pacific Railway from lot 1, concession 3, township of Balfour, at mile 0, to lot 9, concession 6, township of Creighton, at mile 6.21 in district of Sudbury, province of Ontario.

Location of a portion of the Bromhead westerly branch of the Canadian Pacific Railway from section 35, township 2, range 20, W. 2 meridian at mile 44·13 to section 34, township 2, range 20, W. 2 meridian at mile 45·76 in province of Saskatchewan.

Location of a portion of the Lacombe and Northwestern Railway (Canadian Pacific Railway) from section 11, township 48, range 4, W. 5 meridian at mile 72.04 to section 24, township 44, range 1, W. 5 meridian at mile 94.64 in province of Alberta.

Location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 4, township 46a, range 25, W. 2 meridian at mile 90·1 to section 21, township 46a, range 25, W. 2 meridian at mile 93·14, province of Saskatchewan.

Location of a portion of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from a point on the Canadian National Railways trackage west of 6th avenue east, at mile 111.4 to a point on easterly limit of First avenue east, in the city of Prince Albert, Sask.

REVISED LOCATION

Revised location of the Canadian Pacific Railway, Unwin Westerly Branch, from section 13, township 47, range 1, W. 4 meridian at mile 3.01, to section 12, township 47, range 3, W. 4 meridian at mile 20.39, province of Alberta.

Revised location of the Swift Current northwesterly Branch of the Canadian Pacific Railway from section 15, township 56, range 15, W. 4 meridian at mile 361·31 to section 1, township 56, range 20, W. 4 meridian at mile 391·96, province of Alberta

Revised location of the Fife Lake Branch of the Canadian Pacific Railway from SW. \(\frac{1}{4}\), section 8, township 2, range 24, W. 2 meridian, mile 64.9 to NE. \(\frac{1}{4}\), section 5, township 2, range 2, W. 2 meridian, mile 65.68 and location of the said Branch from mile 65.68 to section 4, township 2, range 24, W. 2 meridian, mile 66.36, province of Saskatchewan.

Revised location of the tunnel and approaches under the Detroit river of the Detroit and Windsor Subway Company in the city of Windsor, Ont.

Revised location of the Gatineau Branch of the Canadian Pacific Railway

between mile 19.2 and mile 19.6, province of Quebec.

Revised location of the Bromhead Westerly Branch of the Canadian Pacific Railway from section 36, township 2, range 19, W. 2 meridian at mile 36.56 to section 32, township 2, range 19, W. 2 meridian, mile 40.23 and location from section 31, township 2, range 19, at mile 43.1 to section 35, township 2, range 20, W. 2 meridian at mile 44.15, province of Saskatchewan.

Revised location of the Canadian Pacific Railway from mile 118.53 to

mile 114.11, Thompson Subdivision in province of British Columbia.

Revised location of the Canadian Pacific Railway from mile 70.17 to mile

71.42, Thompson Subdivision in the province of British Columbia.

Revised location of a portion of the Rosetown-Perdue Branch of the Canadian Pacific Railway from section 23, township 33, range 13, W. 3 meridian at mile 26.81, to section 31, township 35, range 11, W. 3 meridian at mile 44.63 in province of Saskatchewan.

Revised location of a portion of the Archive-Wymark Branch of the Canadian Pacific Railway from section 4, township 15, range 29, W. 2 meridian at mile 17.54 to section 26, township 14, range 1, W. 3 meridian, at mile 22.4 in

the province of Saskatchewan.

Revised location of a portion of the Lloydminster northwesterly Branch of the Canadian Pacific Railway from section 2, township 50, range 28, W. 3 meridian, at mile 14.67, in province of Saskatchewan.

Revised location of a portion of the Archive-Wymark Branch of the Canadian Pacific Railway from section 28, township 14, range 1, W. 3 meridian at mile 22·4 to section 17, township 14, range 1, W. 3 meridian at mile 26·18 in the province of Saskatchewan.

Revised location of the Swift Current northwesterly Branch of the Canadian Pacific Railway from section 20, township 52, range 14, W. 4 meridian at mile 337.81 to section 13, township 56, range 15, W. 4 meridian at mile 360.36

in province of Alberta.

Revised location of the Suffield-Blackie Branch of the Canadian Pacific Railway from section 2, township 21, range 24, W. 4 meridian at mile 126.9 to section 4, township 19, range 26, W. 4 meridian at mile 147.01 province of Alberta

Revised location of a portion of the Swift Current northwesterly Branch from section 4, township 30, range 9, W. 4 meridian at mile 193.8 in province of

Alberta

Revised location of a portion of the Kootenay-Proctor Branch of the Canadian Pacific Railway through sub lot 10, lot 309, group 1, Kootenay district,

province of British Columbia.

Revised location of a portion of the Tuffnell-Prince Albert Branch of the Canadian Pacific Railway from section 1, township 52, range 15, W. 2 meridian at mile 139:30 to section 9, township 52, range 15, W. 2 meridian at mile 143:00, in province of Saskatchewan.

Revised location of a portion of the Archive-Wymark Branch of the Canadian Pacific Railway from mile 0.0 in section 23, township 15, range 27, W. 2 meridian to mileage 4.82. in section 26, township 15, range 28, W. 2 meridian

in the province of Saskatchewan.

Revised location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 1, township 37, range 23, W. 2 meridian at mile 21.9 to section 24, township 37, range 23, W. 2 meridian at mile 24.9 and from section 20, township 37, range 22, W. 2 meridian at mile 26.3 to section 27, township 39, range 23. W. 2 meridian at mile 40.9 in province of Saskatchewan.

Revised location of the Lloydminster northwesterly Branch of the Canadian Pacific Railway from section 33, township 51, range 27, W. 3 meridian at mile 14.67, to section 24, township 51, range 26, W. 3 meridian at mile 24.89 in

province of Saskatchewan.

Revised location of the Acme northwesterly Branch of the Canadian Pacific Railway from section 21, township 33, range 26, W. 4 meridian at mile 25·1 to section 22, township 33, range 26, W. 4 meridian at mile 26·36 to section 35, township 33, range 26, W. 4 meridian at mile 28 in province of Alberta.

Revised location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from a point in section 17, township 42, range 24, W. 2 meridian at mile 59.0 to section 6, township 43, range 24, W. 2 meridian at mile 63.7

in the province of Saskatchewan.

Revised location of the Lacombe and northwestern Railway (Canadian Pacific Railway) from section 2, township 48, range 4, W. 5 meridian at mile 70.03 to section 14, township 49, range 1, W. 5 meridian at mile 92.17, province of Alberta.

Revised location of the Archive-Wymark Branch of the Canadian Pacific Railway from section 36, township 15, range 28, W. 2 meridian at mile 4.82 to section 17, township 14, range 1, W. 3 meridian at mile 26.15 in province of

Saskatchewan.

Revised location of the Lanigan-Prince Albert Branch of the Canadian Pacific Railway from section 2, township 45, range 24, W. 2 meridian at mile 78.38 to section 4, township 46a, range 25, W. 2 meridian at mile 90.1 in the province of Saskatchewan.

RAILWAY CROSSINGS

Crossing of the Regina Street Railway by the Canadian National Railways at Fourth avenue, Regina, Sask.

Crossing of the Regina Street Railway by the Canadian Pacific Railway at

Dowdney avenue, Regina, Sask.

Crossing of the Canadian National Railways by the Swift Current Northwesterly Branch of the Canadian Pacific Railway between sections 19 and 20, township 52, range 14, W. 4 meridian at Vegreville, Alta.

Crossing of the Toronto, Hamilton and Buffalo Railway by the Hamilton

Street Railway at Aberdeen street, Hamilton, Ont.

Crossing of industrial spur track of the Canadian Pacific Railway by the tracks of the Saskatoon Street Railway at Warburton street, Saskatoon, Sask.

Crossing of industrial spur track of the Canadian National Railways by the tracks of the Saskatoon Street Railway at Lauriston street, Saskatoon, Sask. Crossing of the British Columbia Electric Railway by spur track of the

Canadian Pacific Railway on Front street, Vancouver, B.C.

Crossing of the tracks of the Vancouver, Victoria and Eastern Railway by the spur track of the Canadian Pacific Railway at Front street, Van-

Crossing of the tracks of the Canadian Pacific Railway by the tracks of the logging railroad of Thurston-Flavelle, Limited, at mile 0.9 Ioco Branch, Canadian Pacific Railway, Vancouver Island.

Crossing of tracks of the Sudbury Copper Cliff Suburban Electric Railway

at Elm street, Sudbury, Ontario, by the Canadian Pacific Railway.

Crossing of Regina Street Railway by spur track of the Canadian National

Railways on Broad street, Regina, Sask.

Crossing of the tracks of the International Nickel Company by the tracks of the Canadian Pacific Railway in lot 9, concession 4, township of McKim, province of Ontario at mile 81.36 Cartier Subdivision.

Crossing of the tracks of the Canadian National Railways by the Canadian Pacific Railway in section 19, township 42, range 24, W. 2 meridian at mile 60.19 in the province of Saskatchewan.

Crossing of the tracks of the Mount Mackay and Kakabeka Railway by

the tracks of the Canadian National Railways at Fort William, Ont.

Crossing of the Canadian Pacific Railway by the Canadian National Railways in section 17, township 37, range 25, W. 3 meridian in the prevince of Saskatchewan.

Crossing of the Canadian Pacific Railway by the International Nickel Company of Canada by means of an overhead structure in lot 1, concession 1, township of Snider, county of Sudbury, province of Ontario.

OPERATION OF INTERLOCKING PLANTS

Operation of interlocking plant at crossing of Canadian Pacific Railway by the Canadian National Railways at West Toronto, Ont., mileage 4.7, Galt Subdivision (Weston Road).

Operation of automatic signal protection installed by the Canadian National Railways at crossing of Canadian Pacific Railway at Montfort Junction, P.Q.

Operation of interlocking plant at crossing of the Michigan Central Railroad by the Hydro-Electric Power Commission's Line at Field avenue, city of Windsor, Ont.

Operation of interlocking plant at crossing of the Canadian National Railways by the Imperial Oil Company's tracks at mile 29.9 L'Assomption Subdivision, at Montreal, P.Q.

Operation of interlocking plant at crossing of the Canadian National

Railways and Canadian Pacific Railway at Actonvale, Ont.

Operation of half interlocking plant at crossing of the Canadian National Railways by the Quebec Railway, Light Heat and Power Company's tracks at Beauport Road, in Limoilu Ward, Quebec, P.Q.

Operation of interlocking plant at crossing of the Canadian Pacific Ralway, Queen's Wharf Branch, by the Canadian National Railways west of

Bathurst Street Junction, Toronto, Ont.

Operation of interlocking plant at crossing of Canadian National Railways by the Canadian Pacific Railway, Rosetown-Perdue Branch, at mile 42.88, in the province of Saskatchewan.

Operation of interlocking plant at crossing of Canadian Pacific Railway

by the Canadian National Railways at Joliette, P.Q.

Operation of interlocking plant at crossing of single track of Canadian Pacific Railway, Pheasants Hill Branch by the tracks of the Canadian National Railways.

Operation of interlocking plant at crossing of Canadian Pacific Railway by

Canadian National Railways at L'Epihanie, P.Q.

Operation of interlocking plant at crossing of Canadian National Railways by the Canadian Pacific Railway at mile 6.5, Adirondack Subdivision and mile 0.3 Stanbridge Subdivision, province of Quebec.

Operation of interlocking plant at crossing Great Northern Railway by the

Canadian National Railways at Sapperton, B.C.

INTERCHANGE TRACKS

Connection between the Canadian National Railways and Canadian Pacific Railway on the south bank of the Lachine Canal, in the city of Montreal, P.Q.

Interchange tracks between the Canadian National Railways and the

Esquimalt Railway on the Songhees Indian Reserve, Victoria, B.C.

Connection between the Qu'Appelle, Long Lake and Saskatchewan Railroad and Steamboat Company and the Grand Trunk Pacific Railway near Saskatoon, Sask.

Connection between the Canadian National Railways and the Canadian

Pacific Railway at Humboldt, Sask.

Interchange tracks between the Canadian National Railways and the Kettle Valley Railway (Canadian Pacific Railway) at Penticton, B.C.

Interchange tracks between the Canadian National Railways and the

Canadian Pacific Railway at Wayne, Alta.

Connection between tracks of Lanigan-Prince Albert Branch of the Canadian Pacific Railway and the tracks of the Canadian National Railways near Fenton, Sask.

Connection between tracks of Lanigan-Prince Albert Branch of the Canadian Pacific Railway with tracks of the Canadian National Railways at Prince

Albert, Sask.

INTERLOCKING PLANTS

Installation of automatic interlocking signal system at crossing of the Canadian National Railways by the Napierville Junction Railway at Lacolle, P.Q.

Installation of automatic signal protection at crossing of Canadian Pacific

Railway by the Canadian National Railways at Joliette, P.Q.

Installation of automatic interlocking signals at crossing of Canadian National Railways by the Levis Tramways Limited at Gibson's Crossing, Levis, P.Q.

Installation of interlocking system at crossing of Owen's Wharf Branch of the Canadian Pacific Railway by the passing track, two main tracks, two freight main line tracks, and one service track of the Canadian National Railways at Toronto, Ont.

Installation of automatic approach signals at crossing of Canadian National

Railways by Canadian Pacific Railway at Essa North, Ont.

Installation of interlocking plant at crossing of the Canadian National Railways by the Canadian Pacific Railway Swift Current, northwesterly branch at Vegreville, Alta.

Installation of interlocking plant at crossing of the Toronto, Hamilton and Buffalo Railway by the Hamilton Street Railway at Aberdeen street, Hamilton,

Installation of interlocking plant at crossing of the Michigan Central

Railroad by the Canadian National Railways at Niagara Falls, Ont.

Installation of interlocking system at crossing of Canadian Pacific Railway by the Canadian National Railways at mile 6.5 Adirondack Subdivision and mileage 0.3 Stanbridge Subdivision, province of Quebec.

Installation of automatic signals on the Canadian Pacific Railway and manually operated electrically locked apparatus on the Vancouver. Victoria

and Eastern Railway at Sapperton, B.C.

Installation of signal protection at the crossing of the Canadian Pacific

Railway by the Canadian National Railways at Hurdman, Ont.

Installation of half interlocking plant at crossing of Regina Street Railway by spur track of Canadian National Railways on Broad street, Regina, Sask.

Installation of semi-interlocker to replace mechanical interlocker at crossing of the tracks of the Canadian National Railways by the Canadian Pacific Railway at Whitby, Ont.

Installation of automatic interlocking plant at crossing of the Canadian National Railways by the Canadian Pacific Railway at Vegreville, Alta.

Changes to the interlocking plant at the crossing of the Canadian Pacific Railway by the Canadian National Railways at St. Boniface, Man.

PROTECTION AT HIGHWAY CROSSINGS

Removal of obstruction to view at crossing of London road by the Canadian National Railways one mile west of limits of town of Sarnia, Ont.

Installation of automatic bell and wig-wag at crossing of Mara street, 100

yards west of Beaverton East, Ont., by the Canadian National Railways.

Installation of automatic bell and wig-wag at crossing of highway by the Pere Marquette Railway just north of station at Eberts, Ont.

Installation of automatic bell and wig-wag at crossing of Mara street, Beaverton West, Ont., by the Canadian National Railways.

Installation of bell and wig-wag signal at crossing of Tuscoraral street, Hagersville, Ont., by the Michigan Central Railroad.

Installation of bell and wig-wag signal at crossing of Howard avenue, Windsor, Ont., by the Canadian Pacific Railway.

Installation of bell and wig-wag at first crossing of highway west of New Hamburg, Ont., by the Canadian National Railways.

Installation of bell and wig-wag at crossing of John street, North Bay, Ont.,

by the Canadian National Railways.

Installation of bell and wig-wag signal at crossing of Jane street, North Bay, Ont., by the Canadian National Railways.

Installation of bell and wig-wag at crossing of Grand avenue, Chatham,

Ont., by the Pere Marquette Railway.

Installation of Lightning flash signals at crossing of Morrison street, Niagara Falls, Ont., by the Michigan Central Railroad.

Installation of lightning flash signals at crossing of Huron and Eric streets, Niagara Falls, Ont., by the Michigan Central Railroad.

Installation of lightning flash signals at crossing of Simcoe street and Ontario

avenue, Niagara Falls, Ont., by the Michigan Central Railroad.

Installation of lightning flash signals at crossing of Eastwood avenue, Nia-

gara Falls, Ont., by the Michigan Central Railroad.

Installation of lightning flash signals at crossing of Clifton Hill street, Nia-

gara Falls, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wig-wag at crossing of highway at mile 101.5 Shogomoc Subdivision, Canadian Pacific Railway, in the province of New Brunswick.

Installation of wig-wag signal in addition to bell at highway crossing at Le

Cap, province of Quebec, by the Canadian Pacific Railway.

Installation of double bells and wig-wags at first crossing 2.15 miles east

of Waterford, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wig-wag signal at crossing of Talbot road, Canfield, Ont., by the Canadian Pacific Railway.

Installation of automatic bells and wig-wags at crossing of Nelson street,

Brampton, Ont., by Canadian Pacific Railway.

Removal of embankment obstruction to view in northwest angle of crossing at Wall street, Vancouver, B.C., by the Canadian Pacific Railway.

Installation of bell and wig-wag at crossing of County road at Komoke,

Ont., by the Canadian Pacific Railway.

Installation of wig-wag in addition to existing bell protection at crossing at Lynden, Ont., by the Canadian National Railways.

Installation of wig-wag in addition to existing bell at crossing of Denison

avenue, Weston, Ont., by the Canadian National Railways.

Installation of wig-wag in addition to existing bell at crossing at Locust Hill Station, Ont., by the Canadian Pacific Railway.

Installation of bell and wig-wag by the Canadian National Railways at

Dundas street, London, Ont.

Installation of two bells and wig-wags at crossings of Laviolette street, Three Rivers, P.Q., by the Canadian Pacific Railway.

Removal of obstruction to view at crossing of London road, one mile east

of Sarnia, Ont., by the Canadian National Railways.

Installation of automatic bell and wig-wag at crossing of York road, town-

ship of Guelph, by the Canadian Pacific Railway.

Installation of bell and wig-wag at highway crossing of the Canadian Pacific Railway between lot 33, concession A, and lot 33, concession 1, township of Hamilton, province of Ontario.

Installation of bell and wig-wag at crossing of Bayswater avenue, Ottawa,

Ont., by the Canadian National Railways.

Installation of wig-wag signal in addition to existing bell at crossing of St. Antoine street, Rigaud, P.Q., by Canadian Pacific Railway.

Installation of wig-wag highal in addition to existing bell at crossing of

William street, London, Ont., by the Canadian Pacific Railway.

Installation of wig-wag signal in addition to existing bell at crossing of Asylum drive, London, Ont., by the Canadian Pacific Railway.

Installation of wig-wag in addition to existing bell at crossing immediately east of Dragon, P.Q., by the Canadian Pacific Railway.

Installation of wig-wag in addition to existing bell at crossing of Colborne

street by the Canadian Pacific Railway.

Installation of wig-wag signal in addition to existing bell at crossing of Maitland street, London, Ont., by the Canadian Pacific Railway.

Installation of wig-wag signal in addition to existing bell at crossing of St. François street, Rigaud, P.Q., by the Canadian Pacific Railway.

Installation of Morrison Lightning Flash signal at crossing of Young street,

1.98 miles east of Attercliffe, Ont., by the Michigan Central Railroad.

Installation of Morrison Lightning Flash signal at crossing of Robertson road, Attercliffe, Ont., by the Michigan Central Railroad.

Installation of Morrison Lightning Flash signal at crossing of Town Line road 3.53 miles west of Ridgetown, Ont., by the Michigan Central Railroad.

Installation of Morrison Lightning Flash signal at crossing of Victoria

avenue, Ridgetown, Ont., by the Michigan Central Railroad.

Installation of Morrison Lightning Flash signal at crossing of highway between concessions 3 and 4, township of Moulton, province of Ontario, by the

Michigan Central Railroad.

Installation of Morrison Lighting Flash Signal at crossing of highway between concession 8, township of Townsend, and concession 8 of the township of Wyndham, county of Norfolk, province of Ontario, by the Michigan Central Railroad.

Installation of Morrison Lighting Flash Signal at crossing of Town Line road between townships of Crowland and Willoughby, county of Welland, province of Ontario, by the Michigan Central Railroad.

Installation of Morrison Lighting Flash Signal at crossing of Scane road in township of Howard, county of Kent, province of Ontario, by the Michigan

Central Railroad.

Installation of automatic bell and wig-wag at crossing of Venables street, Vancouver, BC., by the Vancouver, Victoria and Eastern Railway (Great

Northern Railway).

Installation of automatic bell and wig-wag at crossing of highway one-quarter of a mile north of the Niagara, St. Catharines and Toronto Diamond on Hamilton highway, one and one-half mile east of Niagara Falls Yard Limit Board, Stamford Subdivision, province of Ontario.

Installation of double bells and wig-wags at crossing of Kingston road just

east of Marysville, Ont., by the Canadian National Railways.

Installation of Lighting Flash Signals at crossing of Glasgow street, Guelph,

by the Canadian Pacific Railway.

Installation of automatic bell and wig-wag at crossing of highway east of

Rosemere Station, P.Q., by the Canadian Pacific Railway.

Installation of wig-wag in addition to existing bell at crossing of Martin street, Milton, Ont.

PROTECTION AT HIGHWAY CROSSINGS

Establishment of sight lines at crossing of highway near Cosheath, N.S., by Canadian National Railways.

Installation of automatic bell and wig-wag at Bunker Hill crossing, Water-

ford, Ont., by the Lake Erie and Northern Railway.

Installation of wig-wag in addition to existing bell at highway crossing just west of Winchester, Ont., by the Canadian Pacific Railway.

Installation of wig-wag signal in addition to existing bell at crossing of

Garafraxa street, Durham, Ont., by the Canadian Pacific Railway.

Installation of double bells and wig-wags at crossing of the Town Line road between the townships of Maidstone and Colchester in the province of Ontario, 0.7 miles west of Essex, Tank, by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Town Line road,

Kingsmill, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of highway east of La Salette, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Side road east of the station at Mull, Ont., by the Michigan Central Railroad.

Installation of bell and wig-wag at highway crossing at Oromocto, N.B.,

by the Canadian National Railways.

Installation of double bells and wig-wags at crossing of Parker road, Welland Bridge, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Seventh Conces-

sion road at Fletcher, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Middle road, Aylmer, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Smith road, Hagers-

ville, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of concession road at Jackmans crossing, Lythmore, Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at Naylor's road crossing, Essex,

Ont., by the Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Town Line road, Tillsonburg, Ont., by Michigan Central Railroad.

Installation of double bells and wig-wags at crossing of Wellandport road

at Montague, Ont., by the Michigan Central Railroad.

Installation of wig-wag signal in addition to existing bell at Town Line road crossing, Fletcher, Ont., by the Michigan Central Railroad.

Installation of wig-wag signal in addition to existing bell at crossing of

Centre road, Buxton, Ont., by the Michigan Central Railroad.

Installation of wig-wag signal in addition to existing bell at Erie avenue crossing, Ridgetown, Ont., by the Michigan Central Railroad.

Installation of wig-wag signal in addition to existing bell at crossing of

Hornby street, Springfield, Ont., by the Michigan Central Railroad.

Installation of wig-wag signals in addition to existing bell at crossing of Side road, Ruscomb, Ont., by the Michigan Central Railroad.

Installation of wig-wag signals in addition to existing bell at crossing of

Town Line road, Iona, Ont., by the Michigan Central Railroad.

Installation of wig-wag signal in addition to existing bell at crossing of Louise-Field road, Yoho Park, B.C., by the Canadian Pacific Railway.

Installation of wig-wags in addition to existing electric bell at crossing of

Queen street, Streetsville, Ont., by the Canadian Pacific Railway.

Installation of gates at crossing of Eastern avenue, Toronto, by the Toronto

Terminals Railway.

Installation of gates at crossing of Dougal avenue, Windsor, Ont., by the Essex Terminal Railway.

Removal of obstructions to view at crossing of County road by the Cana-

dian National Railways, at Port Robinson, Ont.

Installation of bells and wig-wags at highway crossing 0.63 miles west of St. Anns Station, Ont., on the line of the Toronto, Hamilton and Buffalo Railway.

Installation of Farnsworth automatic gates at crossing of South street,

Cowansville, P.Q., by the Canadian Pacific Railway.

Removal of obstructions to view at crossing of Provincial highway by the Canadian National Railways, one and one-half miles north of Cooksville, Ont.

Installation of wig-wag in addition to existing bell at crossing of Schneider street, Baden, Ont., by the Canadian National Railways.

Installation of automatic bell and wig-wag signal at crossing of Provincial

highway at Cataraqui, Ont.

Installation of two lightining flash signals at crossing of McLaughlin road, 64 miles east of Attercliffe, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Centre Line road, 2.80 miles east of Fargo, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Lincoln road, 1.73

miles east of Welland, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Fifth Concession road, 2.52 miles west of Tilbury, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Clemens Haugh road, 0.63 mile east of Stevensville, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Trudel side road,

3.09 miles east of Tilbury, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Concession road, 0.88 mile east of Pelton, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Frome road, 2.5

miles east of Shedden, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Concession road,

·65 mile east of Aylmer, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of the Middle Town Line road, ·29 mile east of Cornell, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Huffman road,

1-95 miles east of Fargo, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Malden road, 0.73

miles east of Woodslee, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of the Town Line road, 0.36 miles east of Essex, Ont., by the Michigan Central Railway.

Installation of two lightning flash signals at crossing of Eighth Concession road, 0.64 miles west of Buxton, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Town Line road,

1.22 miles east of Springfield, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Darling road, 1.96

miles east of Canfield, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Middle Town Line road, 2.2 miles east of Brownsville, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Drury Side road,

·93 mile east of Charing Cross, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Hawtrey road, west of Hawtrey Station, Ont., by the Michigan Central Railroad.

Installation of automatic bell and wig-wag signal at crossing of Cayuga

street, Brantford, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of two lightning flash signals at crossing of highway west of

Burlington Station, Ont., by Canadian National Railways.

Installation of wig-wag signal in addition to existing bell at crossing of Lancaster street, Kitchener, Ont., by Canadian National Railways.

Installation of wig-wag signal in addition to existing bell at public cross-

ing north of Hespeler, Ont., by Canadian National Railways.

Installation of two lightning flash signals at crossing of side road, 0.11

mile east of Windham, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Diltz road, 0.93 mile east of Attercliffe, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of the Town Line road

just east of Townsend Station, Ont., by Michigan Central Railroad.

Installation of bell and wig-wag at crossing of highway east of Foster Station, Ont., by the Canadian Pacific Railway.

Installation of two lightning flash signals at crossing of the Moote road,

1.39 miles west of Attercliffe, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Thomas street, Essex, Ont., by Michigan Central Railroad.

Installation of automatic bell and wig-wag at crossing of Tecumseh road,

Windsor, Ont., by the Canadian Pacific Railway.

Installation of a three-aspect signal and automatic bell at crossing of Dunsmore road, Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Installation of a three-aspect signal and automatic bell at crossing of Primrose avenue, Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of a three-aspect signal and automatic bell at crossing of Cumberland avenue, Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of two three-aspect signals and bells at crossing of King street,

Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of three three-aspect signals and bells at crossing of Main street and Gage avenue, Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of a three-aspect wig-wag signal and bell at crossing of Maple

avenue, Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of two three-aspect wig-wag signals and bells at crossing of Cannon street, Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of two wig-wag signals and bells at crossing of Barton street,

Hamilton, Ont., by Toronto, Hamilton and Buffalo Railway.

Installation of wig-wag signal and bell at crossing of Foxboro highway at Mile 80, Havelock Subdivision, Canadian Pacific Railway.

Installation of two lightning flash signals at crossing of White street, St.

Thomas, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Stanley street, St. Thomas, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Queen street, St.

Thomas, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Metcalfe street, St. Thomas, Ont., by the Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Church street, St.

Thomas, Ont., by Michigan Central Railroad.

Installation of two lightning flash signals at crossing of Welham street, St.

Thomas, Ont., by Michigan Central Railroad.

Installation of wig-wag signals in addition to bell at crossing of Queen street, Kitchener, Ont., by Canadian National Railways.

Installation of wig-wag signal and bell at crossing of Dougal avenue, town-ship of Sandwich West, province of Ontario, by Canadian Pacific Railway.

Installation of wig-wag signal and bell at crossing of highway immediately

west of station at Wales, Ont., by Canadian National Railways.

Installation of automatic bell and wig-wag at crossing of highway by Canadian National Railways, one mile east of Darling road, in the township of Canboro, province of Ontario.

Installation of automatic bell and wig-wag at crossing of Ritson road,

Oshawa, Ont., by the Canadian Pacific Railway.

OPENING FOR TRAFFIC

Opening for carriage of traffic portion of the Weyburn Subdivision of the Canadian National Railways, at mile 12.85 to new passenger station at Weyburn, Sask.

Opening for carriage of traffic that portion of Vancouver Harbour Commissioner tracks extending from St. Andrews avenue westerly through subway to connection with Pacific Great Eastern Railway, at a point 360 feet west of Chesterfield avenue, in city of North Vancouver, B.C.

Opening for traffic portion of the Foam Lake Southwesterly Branch of the Canadian Pacific Railway, from mile 0 to 27 province of Saskatchewan.

Opening for carriage of traffic portion of the Hatton Northeasterly Branch of Canadian Pacific Railway, from mile 0 to 17.5 province of Saskatchewan.

Opening for traffic portion of the Rosemary Northerly Branch of the Canadian Pacific Railway, from mile 0 to 25·10, province of Alberta.

Opening for traffic portion of the Langdon North Branch (Acme-Empress)

from mile 86.86 to 121.90 in province of Alberta.

Opening for carriage of traffic portion of the Aikens Northerly Branch of the Canadian Pacific Railway from mile 0 to 20.45 in the province of Alberta.

Opening for carriage of traffic portion of the Leader Southeasterly Branch of the Canadian Pacific Railway, from mile 119.64 to 144.70 in province of

Saskatchewan.

Opening for carriage of traffic portion of the Kindersley-Glidden Branch of the Canadian National Railways, from junction of the Oyen Subdivision of the Canadian Northern Railways, at mile 2.97, to junction of said branch with the Elrose Subdivision of Canadian Northern Railway, at mile 104.26, a distance of 16.40 miles, also over the west leg of the wves at said junctions, a total length of 0.56 mile.

Opening for carriage of traffic portion of the Flin Flon Branch of the Canadian National Railways, from a junction with the Hudson Bay Railway, at miles 4.64 to the Flin Flon Mine, a distance of 87 miles, in the province of

Manitoba.

Opening for carriage of traffic portion of the Fife Lake Branch of the Canadian Pacific Railway, from mile 45, at Coronach, to mile 65.92, at Big Beaver, in province of Saskatchewan.

Opening for earriage of traffic portion of the Unwin Westerly Branch of the

Canadian Pacific Railway, from mile 0 to 19.3 in province of Alberta.

Opening for the carriage of traffic portion of the Moose Jaw Southwesterly Branch (Assiniboia-Consul) Canadian Pacific Railway, from mileage 107.43 to 143.83, Wood Mountain to Mankota.

Opening for the carriage of traffic portion of the Rosetown Perdue Branch,

mile 0 to 44.77, in province of Saskatchewan.

Opening for the carriage of traffic Woolford Southeasterly Branch of the

Canadian Pacific Railway, from mile 0 to 13, in the province of Alberta.

Opening for the carriage of traffic portion of the Peesane Northerly Branch of the Canadian National Railways, from a junction with the Tisdale Subdivision of Canadian National Railways, near Crooked river, to end of line at Arborfield, Sask.

Opening for temporary service portion of the Sturgis-Peesane Branch of the Canadian National Railways, from the junction of the Tisdale Subdivision of the Canadian National Railways, at Crooked river, Sask., southeasterly to end of track, a distance of 29 miles, and to operate over east leg of wye at said junction, a distance of 0.22 miles.

Opening for the carriage of traffic Canadian Northern Railway's line from junction with the Craik Subdivision of the Qu'Appelle Long Lake and Saskatchewan Railway, at mile 151.03 to junction with the Asquith Subdivision of the Grand Trunk Pacific Railway, at mile 57.02, a distance of 3.25 miles, in province of Saskatchewan.

Opening for the carriage of traffic of the second track of the Canadian National Railways, from mile 51.53 to 63.68 Sprague Subdivision, in province

Opening for the carriage of traffic of the second track of the Canadian National Railways, between Woodridge and Baynham, province of Manitoba, from mile 88.36 to 94.81, Sprague Subdivision, a distance of 6.36 miles. 13756-4

Opening for the carriage of traffic of the second track of the Canadian National Railways, between mile 142.55 Fort Frances Subdivision, and mile 0.56 Sprague Subdivision, through town of Rainy River, Ont.

Opening for carriage of traffic portion of Sudbury Basin Branch of

Canadian Pacific Railway, from mile 0 to 5.9 province of Ontario.

Opening for carriage of traffic the Ambassador bridge constructed between the town of Sandwich, in county of Essex, province of Ontario, and city of Detroit, in the state of Michigan.

Opening for the carriage of traffic portion of Cold Lake Branch of the Canadian National Railways, from junction with the Flin Flon Branch of the Manitoba Northern Railway, at mile 53.0, northerly for a distance of 42 miles.

Opening for the carriage of traffic a portion of the Lacombe and Northwestern Railway, from mile 70.08 to 92.13. Breton Thorsby, in province of

Alberta.

Opening for the carriage of traffic a portion of the Melfort-Aberdeen Branch of the Canadian National Railways, from a junction with the Cudworth Subdivision of the Grand Trunk Pacific Railway, at mile 65.9 (Wakaw. Sask.), easterly for a distance of 19.5 miles, in province of Saskatchewan.

Opening for the carriage of traffic a portion of the Canadian National Rail-

ways, between Carson and Falconbridge Mines, in province of Ontario.

Opening for the carriage of traffic portion of the Shellbrook Westerly Branch of the Canadian National Railways, from junction with the Blaine Lake Subdivision of the Canadian National Railways, at mile 29.32 near Shellbrook, Saskatchewan, westerly to junction with the Robinhood Subdivision of the Canadian National Railways, at mile 55:40, near Medstead, Sask., a distance of 75 miles.

Opening for traffic portion of the Canadian National Railways, from mile 83.86, near the town of Grand Mere, to mile 91.70 near the village of St.

Boniface, P.Q.

OPERATION OF BRIDGES

Operation of Bridge 74.6, Mountain Subdivision, Canadian Pacific Railway, over Surprise creek, province of British Columbia.

Operation of Bridge 94.76, Mountain Subdivision, Canadian Pacific Rail-

way, over the Illecillewaet river, province of British Columbia.

Operation of Bridge No. 93.31, Mountain Subdivision Canadian Pacific Railway, over the Illecillewaet river, province of British Columbia.

Operation of Bridge No. 90.42, Mountain Subdivision, Canadian Pacific Railway, over the Illecillewaet river, province of British Columbia.

Operation of Bridge No. 3.81, Mountain Subdivision, Canadian Pacific

Railway, over Boulder creek, province of British Columbia.

Operation of Bridge No. 11.5, Mountain Subdivision, Canadian Pacific Railway, over Porcupine creek, in the province of British Columbia.

Operation of Bridge No. 21.61, Mountain Subdivision, Canadian Pacific

Railway, over the Kicking Horse river, province of British Columbia.

Operation of Bridge No. 87.54, Mountain Subdivision, Canadian Pacific Railway, over the Illecillewaet river, province of British Columbia.

Operation of Bridge No. 25.69, Mountain Subdivision, Canadian Pacific

Railway, over the Kicking Horse river, province of British Columbia.

Operation of Bridge No. 66:21, Mountain Subdivision, Canadian Pacific Railway, over the Beaver river, province of British Columbia.

Operation of Bridge No. 6.25, Mountain Subdivision, Canadian Pacific

Railway, over Attertail river, province of British Columbia. Operation of Bridge No. 97.91, Mountain Subdivision, Canadian Pacific Railway, over the Illecillewaet river, province of British Columbia.

Operation of Bridge No. 18.7, St. Gabriel Subdivision, Canadian Pacific Railway, over Bayonne river, province of Quebec.

Operation of Bridge No. 31.99, over Kicking Horse river, Mountain Sub-

division, Canadian Pacific Railway, province of British Columbia.

Operation of Bridge No. 33.24, over Kicking Horse river, Mountain Subdivision, Canadian Pacific Railway, province of British Columbia.

Operation of Bridge No. 32.75, over Kicking Horse river, Mountain Sub-

division, Canadian Pacific Railway, in province of British Columbia.

Operation of Bridge No. 52.66, over Columbia river, Mountain Subdivision, Canadian Pacific Railway, in province of British Columbia.

Operation of Bridge No. 31.59, over Kicking Horse river, Mountain Subdivision, Canadian Pacific Railway, in the province of British Columbia.

Operation of Bridge No. 45.0, Mountain Subdivision, Canadian Pacific

Railway over Blueberry creek, province of British Columbia.

Operation of Bridge No. 76·39, Mountain Subdivision, Canadian Pacific Railway, over Stoney creek, in the province of British Columbia.

Operation of Bridge No. 70.94, Mountain Subdivision, Canadian Pacific Railway, over Mountain creek, in province of British Columbia.

Operation of Bridge No. 101.87, Mountain Subdivision, Canadian Pacific

Railway, over the Illecillewaet river, in province of British Columbia.

Operation of Bridge No. 105.06, Mountain Subdivision, Canadian Pacific Railway, over Moose creek, in the province of British Columbia.

Operation of trains over the drawbridge across the Welland canal, mile

18.25 Cayuga Subdivision, Canadian National Railways.

Operation over Bridge on Webster's Side road, between lots 26 and 27, concession 1, township of Saltfleet, county of Wentworth, province of Ontario.

RAILWAY GRADE CROSSING FUND

Contribution of 40 per cent from Grade Crossing Fund towards removal of obstructions to view at crossing of the London road by the Canadian National Railways, one mile west of limits of town of Sarnia, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Provincial Trunk Highway No. 1, in section 26, township 9, range 23,

W.P.M., in municipality of Sifton, province of Manitoba.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of automatic bell and wig-wag at crossing of Mara street, by the Canadian National Railways, one hundred yards west of Beaverton East, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of automatic bell and wig-wag at crossing just north of Eberts,

Ont., by the Pere Marquette Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of Provincial Highway No. 5 in east half of section 3, township 19, range 15, W.P. meridian, province of Manitoba, and elimination of two existing crossings.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of Montreal-Mont Laurier highway in municipality of St. Jerome, province of Quebec, and elimination of two highway crossings of Canadian

Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of automatic bell and wig-wag at crossing of Mara street. Beaver-

ton West, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wigwag signal at crossing of Tuscorora street, Hagersville, Ont., by the Michigan Central Railroad.

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Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag signal at crossing of Howard avenue, Windsor, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag signal at first crossing of highway west of New

Hamburg, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag signal at John street, North Bay, Ont., by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag signal at crossing of Jane street, North Bay, by the

Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag at crossing of Grand avenue, Chatham, Ont., by Pere Marquette Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing lightning flash signals at crossing of Morrison street, Niagara Falls.

Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing lightning flash signals at Huron and Eric streets, Niagara Falls, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing lightning flash signals at Simcoe street and Ontario avenue, Niagara

Falls, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing lightning flash signals at Eastwood avenue, Niagara Falls, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing lightning flash signals at Clifton Hill street, Niagara Falls, Ont., by

the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wig-wag at highway crossing at mile 101.6, Shogomoe Subdivision, Canadian Pacific Railway, province of New Brunswick.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wig-wag signal in addition to bell at crossing of highway at Le Cap.

P.Q., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wigwags at first crossing 2.15 miles east of Waterford, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing of Talbot Road, Canfield, Ont.,

by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wigwags at crossing of Nelson street, Brampton, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund of cost of installing bell and wigwag at crossing of County road at Komoka, Ont., by the Cana-

dian Pacific Railway.

Comribution of 40 per cent from Grade Crossing Fund of cost of installing wigwag in addition to existing bell at crossing east of Lynden, Ont., by

the Canadian National Railway.

Contribution of 40 per cent from Grade Crossing Fund of cost of installing wigwag in addition to existing bell at crossing of Denison avenue, Weston, Ont., by the Canadian National Railway.

Contribution of 40 per cent from Grade Crossing Fund of cost of installing wigwag in addition to existing bell at crossing west of Locust Hill

Station, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Provincial Trunk Highway No. 1 in SW. 1/4, section 14, township 11, range 27, W. 1 meridian, in the village of Hargrave, Man., and elimination of two highway crossings of the Canadian Pacific Railway main line.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing of Dundas street, London,

Ont., by the Canadian National Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of improving approaches to the crossings of the main line of the Canadian National Railways at James River, N.S.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two automatic bells and wigwags at crossing of Laviolette street,

Three Rivers, P.Q., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of removal of obstructions to view at crossing of London road, one mile east of Sarnia, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing of York road, township of

Guelph, by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wigwag at crossing of Canadian Pacific Railway between lot 33, con. A, and lot 33, con. 1, of township of Hamilton, province of Ontario.

Contribution of 40 per cent from Grade Crossing Fund towards cost of constructing subway under Canadian National Railways, on West street, Brant-

ford, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing at Bayswater ave., Ottawa, Ont., by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of improvement of approaches, and removal of obstructions to view at crossing about 3 miles west of Kingston Jet., Ont., by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag in addition to existing bell at crossing of St. Antoine street, Rigaud, P.Q., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag in addition to existing bell at crossing of William street,

London, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of wigwag in addition to existing bell at crossing of Asylum drive, at London, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of wigwag in addition to existing bell at crossing of highway immedi-

ately east of Dragon, P.Q., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of construction of subway under Canadian National Railways on London street, Thamesville, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of the Melbourne-St. Hyacinthe highway, a distance of 1,800 feet, in

township of Melbourne, province of Quebec.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of wigwag in addition to existing bell at crossing of Colborne street, London, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of wigwag signal in addition to existing bell at crossing of Maitland street, London, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag in addition to existing bell at crossing of St. Francois street,

Rigaud, P.Q., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of Morrison lightning flash at crossing of Stanley street, Montrose, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Morrison lightning flash signal at crossing of Young street, 1.98 miles

east of Attercliffe, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Morrison lightning flash signal at crossing of Robinson road, Attercliffe, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Morrison lightning flash signal at crossing of Town Line road 3.53

miles west of Ridgetown, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of distalling Morrison lightning flash signal at crossing of Victoria avenue, Ridge-

town, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Morrison lightning flash signal at crossing of highway between cons. 3 and 4, tp. of Moulton, province of Ontario, by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund of cost of installing Morrison lightning flash at crossing of Thamesville road, 1.05 miles

east of Ridgetown, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund of cost of installing Marrison lightning flash at crossing of highway between con. 8, tp. of Townsend, and con. 8, tp. of Wyndhem, county Norfolk, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Morrison lightning flash signal at crossing of Town Line road between townships of Crowland and Willoughby, county of Welland, province of Ontario, by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Morrison lightning flash signal at crossing of Scane road, township

of Howard, county Kent, Ont., by Michigan Central Railroad.

Contribution of 40 per cent of cost of constructing diversion of highway at Martinon, N.B., on St. Johns subdivision, of Canadian Pacific Railway, for purpose of carrying highway across railway by means of an overhead bridge.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wig-wag signal at crossing of Venables street.

Vancouver, B.C., by Vancouver, Victoria and Eastern Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag at highway crossing one-quarter of a mile north of the Niagara-St. Catharines and Toronto diamond on Hamilton highway, one and one-half miles east of Niagara Falls Yard Limit board, Stamford Subdivision, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double automatic bells and wig-wags at crossing of the Kingston road, just east of Marysville Station, Ont., by the Canadian National Railway.

Contribution of 25 per cent from Grade Crossing Fund towards cost of diverting from a point on easy boundary of section 27, to a point on north boundary of sec. 34, tp. 14, R. 4, E.P.M., and to close east and west road allowance between said sections.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash crossing signals at crossing of Glasgor street, Guelph, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic gate protection at crossing of South street, Cowansville, P.Q., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag at crossing east of Rosemere Station, P.Q., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wig-wag in addition to existing bell at crossing of Martin street,

Milton, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wig-wag in addition to electric bell at crossing of Northumberland avenue, Ayr, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Farnsworth automatic gate at crossing of the Montreal-Sherbrooke

highway, near St. Hubert, P.Q.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Mine street into William street, town of Actonvale, P.Q., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Farnham automatic gate at highway crossing in town of Brompton-

ville, P.Q., by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting St. Claire road in village of Loretteville, P.Q., by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of establishing sight lines at highway crossing near Coxheath, N.S., by Canadian

National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of Ferguson highway, including a subway under the single track of the Canadian National Railways, from a point on the line between lots 2 and 3, concessions X and XI, in the township of Muskoka, Ont., to point on existing highway on westerly limit of lot 3, con. XI.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting highway at Upper Woods Harbour, N.S., by Canadian National

Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag at Bunker Hill crossing in the town of Waterford,

Ont., by Lake Erie and Northern Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting main highway along east side of the track of the Canadian National Railways, at Mill Cove, N.B., mile 184.38, Bathurst Subdivision.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wig-wag in addition to existing bell at highway crossing just west of

Winchester, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of improving view at highway crossing one and one-quarter miles east of village of Mountain, Ont., by Canadian Pacific Railway.

Contribution of 30 per cent from Grade Crossing Fund towards cost of diverting highway at Kanaka Creek, B.C., to Albion, B.C., a distance of

9,717.8 feet, by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wig-wag in addition to existing bell at crossing of Garafraxa street. Durham, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting main road at Westfield Beach, N.B., and closing of existing crossing on line of the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of construction of subway under the Canadian Pacific Railway in southwest quarter

of section 27, township 18, range 14, W. 2 Mer., Saskatchewan.

Contribution of 40 per cent from Grade Crossing Fund towards cost of construction of a subway under the tracks of the Canadian Pacific Railway, in southwest quarter of section 10 township 19, range 28, W.P.M., in municipality of Russell, in province of Manitoba.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing to Town Line road between townships of Maidstone and Colchester, Ont., 0.7 mile west of Essex Tank by

the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of Town Line road, Kingsmill,

Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at highway crossing east of La Salette. Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of side road east of the station

at Mull, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wig-wag at crossing of highway at Oromocto, N.B., by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of Parker road, Welland Bridge,

Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of Seventh Concession road, Fletcher, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of Middle road, Aylmer, Ont.,

by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of the Smith road, Hagersville, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of Concession road, at Jack-

man's Crossing, Lythorpe, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wig-wags at crossing of Naylor's road, Essex, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wigwags at crossing of Town Line road, Tillsonburg.

Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bells and wigwags at crossing of Welland Port road at Montague, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signal in addition to existing bell at Town Line Road cross-

ing, Fletcher, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of constructing highway over the Esquimalt and Nanaimo Railway, at mile 7.1 north of Victoria, B.C.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signal in addition to existing bell at crossing of Centre road in township of Raleigh, county of Kent, Buxton, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards installation of wigwag signal in addition to existing electric bell at crossing of Eric avenue, Ridgetown, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signals in addition to existing bell at crossing of Hornby

street, Springfield, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signals in addition to existing electric bell at crossing of Side road, Ruscomb, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of wigwag signals in addition to existing bell at crossing of Town

Line road, Iona, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag in addition to existing bell at crossing of Louise-Field road, Yoho Park, B.C., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wigwag at crossing of Howard avenue, Lake Shore Junction,

Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing double bell and wigwags at crossing of Twelfth street, Calgary, Alta.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Edmonton-Wainwright highway in S.W. 4 sec. 4, tp. 52, rgc. 23, W. 4 Mer., Alberta, by Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting the Lloydminster-Edmonton highway in twp. 54 and 55, rgs 18 and 19, W. 4 Mer., Alberta, climinating two highway crossings over Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwags in addition to existing bell at crossing of Queen street, Streetsville, Ont., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of Lloydminster-Edmonton highway in tp. 55, R. 21, W. 4 M., Alberta, eliminating two level crossings of Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of highway and construction of overhead bridge over the Michigan

Central Railroad in village of Waterford, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing additional equipment for the protection of crossing of Logan avenue, Winnipeg, Man., by Winnipeg Electric Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Wetaskiwin-Hayter highway in secs. 33 to 35, tp. 46 R. 21, W. 4 M.

Alberta, eliminating two level crossings of Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Edmonton-Lloydminster Highway in sec. 30, to, 50, R. 8, and sec. 25, 26 and 27, tp. 50, R. 9, W. 4 Mer., in vicinity of Manville, Alta.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting highway in tp. 50, R. 7, W. 4 Mer., in vicinity of Claysmore, Alta.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing gates at crossing of Dougall avenue, Windsor, Ont., by the Essex Terminal Railway.

Contribution of 20 per cent of cost of diverting the Cariboo road by the Department of Public Works of the province of British Columbia, eliminating two level crossings of the Canadian Pacific Railway, at mile 92.55 and 83.28 west of Kamloops, B.C.

Contribution of 40 per cent from Grade Crossing Fund towards cost of two diversions of highway at French Village, N.S., on Canadian National

Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing electric bells and wigwags at highway crossing 0.63 mile west of St. Anns Station, in lot 24, con. 6, tp. of Gainsboro, Ont., on line of Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting highway at Hubley's, N.S., and eliminating two skew crossings on line

of Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting the highway at Birchtown, N.S., on line of Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting Hull-Maniwaki highway in township of Wakefield, P.Q., on line of Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards estimated cot of diversion of Wetaskiwin-Hayter highway to eliminate through traffic on two grade crossings over Canadian Pacific Railway, in tp. 46, R. 21, W. 4, Mer., Alberta.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting public highway about three quarters of a mile north of Wakefield,

P.Q., on the line of the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of highway at Conns Mills, Cumberland county, province of Nova Scotia, climinating one crossing and partly eliminating another crossing.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting highway No. 4, in municipality of Saskatchewan, province of Manitoba,

on line of Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting highway No. 4 in municipality of Harrison, Man., on line of Canadian

Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of constructing overhead crossing of Canadian Pacific Railway and Canadian National Railways, on lots 13, 14, and 15, con. A, in tp. of Murray, County of Northumberland, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Farn-worth Automatic Gates at crossing of South street, Cowans-

ville, P.Q., by Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting the line of Canadian National Railways, the crossing of Racine and Jacques Cartier street, on new location, and the separation of grades at above streets, in town of Chicoutimi, P.Q.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diversion of the Ferguson highway at southerly entrance to town of Brace-

bridge, Ont., on line of Canadian National Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing Lightning Flash signals at the crossing of Walker road, first crossing west of Pelton Crossing Tower, in township of Sandwich South, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting the Dartmouth-Sherbrooke highway over the Dartmouth-Musqodoboit Branch, Mile 43.07 to 44.08, in province of Nova Scotia, and closing of existing crossing.

Contribution of 40 per cent from Grade Crossing Fund towards cost of removing obstructions to view at crossing of Provincial highway by Canadian

National Railway, one and one-half miles north of Cooksville, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of protection to be made at crossing of highway by Canadian Pacific Railway, at Lytton Station, B.C.

Contribution of 20 per cent from Grade Crossing Fund towards cost of diverting highway at Beament, B.C., and elimination of two level crossings.

Contribution of 40 per cent from Grade Crossing Fund towards cost of two overhead bridges across the Napierville Junction Railway on the King Edward highway at Labasse and Napierville, P.Q.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag in addition to existing bell at crossing of Schneider street,

Baden, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic electric bell and wigwag signal at crossing of Provincial highway at Cataraqui, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of McLaughlin road, .64

mile East of Attercliffe, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Center Line road, 2.80 miles east of Fargo, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Lincoln road, 1.73 miles

east of Welland, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Fifth Concession road, 2:52 miles west of Tilbury, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Clemens Haugh road, 0.63

mile east of Stevensville, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Trudel Side road, 3.09 miles east of Tilbury, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing at Concession road, .88 mile

east of Pelton, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Frome road, 2.5 miles east of Shedden, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals, at crossing of Concession road, .65 mile

west of Aylmer, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of two lightning flash signals at crossing of Middle Town Line road, .29 mile

east of Cornell, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Huffman road, 1.95 miles east of Fargo, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Malden road, 0.73 mile east of Woodslee, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Town Line road, 0:36 mile

east of Essex, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Eighth Concession road ·64 mile west of Buxton, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from the Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Town Line road, 1.22

miles east of Springfield, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Darling road, 1.96 miles east of Canfield, Ontario, by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Middle Town Line road,

2.2 miles east of Brownsville, Ontario, by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Drury Side road, .93 mile east of Charing Cross, Ontario, by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Hawtrey road, west of

Hawtrey Station, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing of Cayuga street, Brantford, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at highway crossing west of Burlington

Station, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag in addition to existing bell at crossing Lancaster street. Kitchener, Ont., by the Canadian National Railways.

Contribution of 30 per cent from Grade Crossing Fund towards cost of diverting highway over the tracks of the Canadian National Railways, in lot 9

and 10, concession 6, township of Fitzroy, province of Ontario.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signal in addition to existing bell at first public crossing north of Hespeler, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Side road 0.11 mile west of

Windham, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Diltz road, 0.93 mile east of Attercliffe, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of in-talling two lightning flash signals at crossing of Town Line road, just east of Townsend Station, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of the Moote road, 1.39 miles

west of Attercliffe, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing bell and wigwag at crossing east of Foster Station, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Thomas street, Essex, Ont..

by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of constructing bridge over the Canadian Pacific Railway at Chapleau, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing of the Tecumseh road, Windsor, Ont., by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of removing trees and bushes at crossing of the Halifax-Yarmouth main road by

the Dominion Atlantic Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing manually operated gates at crossing of Bourbonniere street, Montreal, P.Q., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of removing obstructions to view at first-highway crossing west of Coaticook, P.Q.,

by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards installation of a three-aspect wigwag signal and automatic bell at crossing of Dunsmore road, Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards installation of a three-aspect wigway signal and automatic bell at crossing of Primrose avenue, Hamilton, Ont., by the Toronto Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of a three-aspect signal and bell at crossing of Cumberland avenue, Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of two three-aspect signal and bell at crossing of King street, Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of three three-aspect signals at crossing of Main street and Gage

ave., Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing a three-aspect wigwag signal and bell at crossing of Maple avenue.

Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two three-aspect wigwag signals at crossing of Cannon street, Hamilton, Ont., by the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two wigwag and bells at crossing at Barton street, Hamilton, Ont., by

the Toronto, Hamilton and Buffalo Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signal and bell at crossing of the Foxboro Highway by the Canadian Pacific Railway, at Mile 80 Havelock Subdivision, in province of Ontario.

Contribution of 40 per cent from Grade Crossing Fund towards cost of instaling two lightning flash signals at crossing of White street, Saint Thomas,

Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Stanley street, St. Thomas, Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Queen street, St. Thomas,

Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Barton street, St. Thomas,

Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing of Church street, St. Thomas, Ont., by Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing two lightning flash signals at crossing at William street, St. Thomas. Ont., by the Michigan Central Railroad.

Contribution of 40 per cent from Grade Crossing Fund towards cost of

installing wigwag in addition to bell at crossing of Queen street, Kitchener, Ont.,

by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag signal and bell at crossing of Dougal avenue, township of

Sandwich West, province of Ontario, by the Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting the Aylmer-Pembroke highway in the municipality of Notre Dame, county of Papineau, province of Quebec, between Mile 72.08 and 72.89 of the Lachute Subdivision, Canadian Pacific Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of diverting the Iberville-Farnham highway across the tracks of the Canadian

Pacific Railway, and Quebec Montreal and Southern Railway.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing wigwag and bell at highway crossing immediately west of Wales, Ont., by the Canadian National Railways.

Contribution of 40 per cent from Grade Crossing Fund towards cost of constructing tunnel connection between the Canadian Pacific Railway, Main

Line and False Creek yards, in city of Vancouver, B.C.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installation of automatic bell and wigwag signal at crossing one mile east of Darling road, in lot 8, concession 3, Canboro township, province of Ontario by Canadian National Railways.

Contribution of 20 per cent from Grade Crossing Fund towards cost of diversion of Provincial highway under the Canadian National Railways, by means of a subway on lots 9 to 11, concession 4, township of March, and lots 1 to 6, concession 4, township of Nepean, province of Ontario.

Contribution of 40 per cent from Grade Crossing Fund towards cost of construction of a subway under the Canadian National Railways at Gillespie

road, Mile 21, north of Victoria, B.C.

Contribution of 40 per cent from Grade Crossing Fund towards cost of constructing a subway under the Canadian National Railways, at Drouillard

road, East Windsor, Ont.

Contribution of 40 per cent from Grade Crossing Fund towards cost of installing automatic bell and wigwag at crossing of Ritson road, Osh'awa, Ont., by the Canadian Pacific Railway.

EXPROPRIATION

Expropriation of land by the Canadian Pacific Railway, in St. Antoine Ward, Montreal, P.Q., for the construction of additional trackage.

Expropriation of land owned by Wilfrid Vincent, Montreal, P.Q., by the

Canadian Pacific Railway, for widening of its right of way.

Expropriation of lands of the National Canadian Land Company in town of Humboldt, Sask., by the Canadian Pacific Railway, for terminal facilities.

MISCELLANEOUS

Mine entry under tracks of Nipissing Central Railroad, for Murphy Mines Ltd., in township of Gauthier, province of Ontario.

Clearances less than standard.

Approval of changes to signals at crossing of Niagara, St. Catharines and Toronto Railway, by Michigan Central Railroad and the Toronto, Hamilton and Buffalo Railway, at Welland drawbridge.

Imposing of speed restrictions.

Farm crossings.

Operation of bridges.

Operation of interlocking plants.

Speed restrictions. Farm crossings.

· Cattle pass.

Exemption from fencing.

Alterations to interlocking plants.

Drainage.

Tunnel connection between main line of Canadian Pacific Railway, and False Creek yards, at Vancouver, B.C.

Construction of five mine entries under the tracks of the Canadian National

Railways, in section 9, township 29, R. 20, W. 4 Mer., province of Alberta.

Construction of mining slope under tracks of the Esquimault and Nanaimo Railway, at Mile 67·3 Victoria Subdivision by the Canadian Collieries Limited.

Exemption from fencing.

Construction of coal dock by the Algoma Central Terminals at Michipicoten Harbour, Ont.

Construction of mine entry under the Canadian National Railways, in section 9, township 29, R 20, W 4 Mer., in the province of Alberta.

HIGHWAY CROSSINGS

			Closed
British Columbia. Alberta. Saskatchewan. Manitoba. Ontario. Ouebec.	43 209 292 88 104 59	6 44 32 17 13 10	5 54 43 16 9
New Brunswick Nova Scotia.	3 6	7	3 10
	803	133	163

INDUSTRIAL SPURS

Authority was granted for the construction of two hundred and forty-five spurs varying in length from a few hundred feet to six miles, as follows:—

British Columbia)
Alberta40	
Saskatchewan42	
Manitoba 22	
Intario 55	
luebec	
·	
245	,

POWER WIRE CROSSING AND TELEPHONE AGREEMENTS

The Board's Electrical Engineer has examined and passed upon one hundred and sixty power wire crossings, and also some seventy telephone agreements.

BRIDGES

Authority has been granted for the construction or reconstruction of some sixty-eight bridges.

APPENDIX C

REPORT OF THE CHIEF OPERATING OFFICER OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1929

February 19, 1930.

A. D. Cartwright, Esq., Secretary, Board of Railway Commissioners, Ottawa, Ont.

Dear Sir,—In compliance with section 31 of the Railway Act of 1919, the annual report of the Chief Operating Officer, covering the work of the Operating Department of the Board during the fiscal year ending December 31, 1929, is respectfully submitted in quadruplicate.

REPORTING AND INVESTIGATING ACCIDENTS ATTENDED BY PERSONAL INJURY OR LOSS OF LIFE

During the year there were 2,780 accidents reported to the Board by the various railway companies subject to its jurisdiction, involving 3,380 casualties, of which number 426 persons were killed and 2,954 injured. For particulars see statements Nos. 1, 3, and 4.

The comparative statements Nos. 2, 5, and 6, of killed and injured, show a

decrease of 19 persons killed and a decrease of 239 injured.

Out of the total of 2,780 accidents so reported, 1,329 were investigated, covering 291 persons killed and 1,643 injured. Detailed statements Nos. 7, 8, 9, and 10 set out the investigations made in connection with collisions, derailments, accidents at highway level crossings, also accidents to employees while working on or under locomotives. These four statements show a total of 538 investigations covering 174 persons killed and 790 injured. The remainder of 791 investigations cover 116 persons killed and 853 injured, and are spread over accidents covered by the various headings referred to in statements Nos. 3, 4, and 5.

It will be observed that out of a total of 2,780 accidents and 3,380 casualties during the fiscal year there were 142 trespassers killed and 136 injured. In this connection, reference is made to statement No. 16, showing by railways and provinces, the number of persons killed and injured.

The matter of highway crossing accidents, protection provided, etc., is dealt

with in detail statements Nos. 3, 4, 5, 9, 11, 12, 13, 14 and 15.

INSPECTION OF SAFETY APPLIANCES—CAR EQUIPMENT

The work coming within this category is largely carried on under the provisions of section 298 of the Railway Act and General Order No. 102; a reprint of the latter having been made during the fiscal year ending December 31, 1923, embodying all the amendments to that date. Additional amendments are covered by General Orders Nos. 458 and 461. The work performed by the department in this connection will be found in detail statements Nos. 19, 20, 21-A and 21-B. The inspection of 69,265 freight cars, it will be readily understood, involves considerable time and labour, both on the ground and in the office at headquarters, where the work of recording, checking and filing of the

numerous reports was carried on, and subsequent correspondence with the railway companies with a view to having the defects so reported, remedied as promptly as possible.

The inspection of 69,265 freight cars above referred to, revealed 4,123

defective cars (5.95 per cent) with defects totalling 4,795.

A total number of 1,384 passenger cars were inspected, with defects totalling 47.

INSPECTION OF MOTIVE POWER

This division of the work is carried on under sections 298, 299, 300 and 301 of the Railway Act, and the Board's General Orders Nos. 12, 31, 66, 102, 131, 199, 226, 289, 293, 302, 362, 379, 385, 402, 403, 404, 415, 424 and 473. A total of 12,533 locomotives were inspected during the fiscal year, a total number of defective locomotives being 380 (3 per cent) with defects numbering 443. For details see statement No. 22.

Under the rules and instructions for the inspection and testing of locomotive boilers and their appurtenances, approved by General Order No. 473, 69,262 report forms of monthly and annual inspections, covering 5,705 locomotives, were filed, checked, recorded and necessary action taken with the railway companies concerning such reports as were found to be inaccurately submitted; and with respect to violation of the regulations, and the proper enforcement of the various tests and inspections required under the rules.

STATIONARY BOILERS

Under General Order No. 330, the so-called "Stationary Boiler Inspection Order," 4,473 report forms of semi-annual and annual inspections, covering 2,158 boilers, were filed, checked, recorded, and necessary action taken with the railway companies with regard to compliance with the regulations.

The checking and recording of the above mentioned locomotive and stationary boiler forms and reports, together with the necessary correspondence

in connection therewith, naturally creates an extensive line of work.

INSPECTION OF PASSENGER EQUIPMENT, STATION BUILDINGS AND PREMISES

This work comprises features of safety, cleanliness, accommodation, etc. A large number of matters have been brought to the attention of the proper officials with beneficial results.

APPLICATIONS AND COMPLAINTS RE TRAIN AND STATION SERVICE, HIGHWAY CROSSING PROTECTION, STATION LOCATIONS, CAR SUPPLY, ETC.

The work under this heading covers a wide range of subjects, and entails in many instances a considerable amount of inquiry and research. During the year complaints and applications numbering 1,260 were inquired into and reported upon.

In conclusion it might be stated that in order to accomplish the work briefly outlined in the foregoing, it has necessitated the travelling of 396,285 miles by the staff of this department.

No. 1.—Statement showing number of passengers, employees and others killed and injured on railways under the Board's jurisdiction, for year ending December 31, 1929.

	Passe	ngers	Empl	oyees	Oth	ers	То	tal
Name of Railway	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Canadian National		198 72 4 4	63 33 3	1, 184 577 50	127 122 15	342 258 31	202 158 18	1,724 907 85
Quebec, Montreal & Southern		52 2	1	31 10 4 12	2 1 2 2 2	7 2 2 5 8	3 1 3 2 1	90 14 6 20 9
Quebec Central	1	11	1	1 3	7 1	6 14 2 4	2 9 1 5	6 26 3 3
Esquimalt & Nanamo Lake Erie & Northern British Columbia Electric Vancouver Harbour Commission						3 3	2	1
Essex Terminal. Pere Marquette. Napierville Junction. Midland Railway of Manitoba				3 2 1	3	13	3	1
Montreal & Southern Counties Atlantic, Quebec & Western Quebec Railway, Light & Power. Great Northern Windsor, Essex & Lake Shore				1 1	1 2 2		1 2	
Dominion Atlantic	16			-		714	426	2,9

No. 2.—Comparative statement of killed and injured between year ending December 31, 1928 and year ending December 31, 1929.

	Passe	engers	Empl	oyees	Oth	ners	То	tal
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
1928 1929	18 16	301 349	109 105	2, 171 1, 891	318 305	721 714	445 426	3,193 2,9 54
Increase		48						
Decrease	2		4	280	13	7	19	239

No. 3.—Statement showing separately the number of passengers, employees and others, killed and injured, and the nature of the accidents, for the year ending December 31, 1929.

BERTHAM AND AND AND AND AND AND AND AND AND AND	Passe	ngers	Empl	oyees	Oth	iers	То	tal
Character of Accidents	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Derailment. Collision, head-on. Collision, rear-end. Collision in yard.		25 32 10 11	11 12 2 3	65 29 13 50		1	11 17 2 3	92 61 23 69
Collision with cars, account of open switch Collision at level (diamond) cross-		12		3		1		16
ing	1	. 1						

No. 3.—Statement showing separately the number of passengers, employees and others, killed and injured, and the nature of the accidents, for the year ending December 31, 1929.—Concluded.

Character of Accidents	Pass	engers	Emp	loyees	Ot	hers	T	otal
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Public highway crossing protected by gates.				1	4	15	4	16
Public highway crossing protected by bell Public highway crossing protected				3	22	63	22	66
Public highway crossing unpro-		1				16		16
Private crossing.			1	9 6	112 15	388 33	114 15	397 39
Trespassing. Working on or under engine Miscellaneous.	1	1		174	142	136	142	136 174
coupling couplers, coupling & un-			}	506 105	4		5 5	652
Run down by engine or car between stations Falling off hand-car, motor, or			10	5	1	2	11	7
velocipede. Hand-car, motor, velocipede,			4	188		10	4	198
Crawling under cars			5	18			5	18
Crawling between cars over couplers		,	1	4			1	4
Struck by car standing foul			2	1 3		1	2	2 3
spout, mail-crane, etc	1		. ,	21			1	21
Crushed between cars, building, lumber pile, platform, etc Explosion of locomotive boiler				18	1	2	1	20
Explosion of locomotive boiler Falling off passenger train Falling off tender while taking				3	1		4	16
water Sideswipe. Riding on pilot or footboard of	1	9	1	5 13			2	$\begin{array}{c} 5 \\ 22 \end{array}$
Overhead obstruction			3	12			3	55 12
Falling off top of car. Falling between cars. Application of air brake.	1	13	2 5 2	5		3	2 6 2	47 5
Attempt to board train in motion	0	30 15	4	44 55	1	7 2	10	159 81 72
Bridge give way, or destroyed by		44	3 2	11		1	3	56
fire. Electrocuted. Run down by engine or car at sta-			1		1		1	
Caught by engine or car while		5	16	55	4	2	20	62
Falling off side and end ladders of			2	50			2	2 50
Falling off car while working hand brake			3	81		1	3	82
Handling freight and baggage Loading and unloading O.C.S.				17		1 .		18
material. Staking or poling cars. Working in coal chutes.				4				31 4 1
Cars moved while being loaded or unloaded				_		2 .		7 2
Carmen working on or under cars				1				1
Chaining and unchaining cars				13				1 13
Turning angle cock	16	349	105	1,891	305	714	426	2,954
	10	310]	****	2,001	.,,,,,		120	2,001

No. 4.—Statement showing character of accidents and number of persons killed and injured on railways under the jurisdiction of the Board for year ending December 31, 1929

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Bridge give way, or destroyed by fire.	Electrocuted	Run down by engine or cars, at stations or in yards.	Caught by engine or car while throwing switch.	Falling off side and end ladders of cars.	Falling off car while working hand brake.	Handling freight and baggage.	Loading and unloading O.C.S. material.	Staking or poling cars.	Working in coal chute	Cars moved while being loaded or unloaded	Drawbridge open	Carmen working on or under cars on running track when moved	Chaining and unchaining cars	Coupling and uncoupling hose			

No. 4.—Statement showing character of accidents and number of persons killed and injured on railways under the jurisdiction of the Board for year ending December 31, 1929—(Continued)

	C.N.E.	N.A.	L. & P.S.	E.& N	E.Z.		E.	V.H. C.T.	E.T.R.	-	P.M.R.	N.J.	R.
	К. І.	К. І.	K. I.	K. I	K.	I. K.	I.	К. І.	K.	H.	K. I.	X.	_ -
Derailment.	1017												: : :
Collision, rear-end Collision in yard											::	::	
Collision at level (diamond) crossing. Public highway crossing protected by gates.													: :
Public highway crossing protected by vertical public highway crossing protected by watchman Public highway crossing unprotected.	6 14		÷ 4,		4		co :				:		
Private crossing. Trepassing. Trepassing.		·					::	: :	: :		27 :	: : :	
Working on or under engine. Miscellaneous A direction complex. coupling and uncoupling.			:										
Run down by engine or car, between stations. Falling off hand-car, motor, or velocipede.								: ;	: :	: :	: :	: :	: :
Hand-ear, motor, velocipede, struck by train.							: :	: :	::	: :	: :		: :
Crawling between cars, over couplers							: :	: :	: :		: :	: :	::
bout, mail crane, etc						: :	: :	: :	: :		: :	: :	::
Crushed between ears, building, lumber pule, platforms, etc	-					: :	: :			: :	: :		: :
Falling off passenger train Falling off tender while taking water							: :				: :	: :	::
Sideswipe. Riding on pilot or footboard of engine.							: :	: :				: :	
()verhead obstruction							: :	: :	: :		: :		<u> </u>
Falling between cars. Application of air brake					-		: :	: :	: :	: :	: :		
Jumping off train in motion. Attempt to board train in motion.								:	: :	: :	::		: :
Washout. Bridge give way, or destroyed by fire.			-:	<u>:</u>	<u>:</u>		-	:	:		:		

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No. 4.—Statement showing character of accidents and number of persons killed and injured on railways under the jurisdiction of the Board for year ending December 31, 1929—(Concluded)

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Collision, head-on.		:	:	:	:	:	:	:	:	:	:			17
Collision in vard		: :				: :				. 63		:		
Collision with ears, account of open switch		:	:	:		:	:							
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rublic ngaway crossing protected by watchings. Public highway crossing unprotected.		: :	: :	. 00	-					C) +	62	61	5	11
Private crossing.		:	: :	: :	: :			: -	:	. 2	: :	: :	: :	142
Working on or under engine		:		:		:	:	:	:		:	:	:	:
		:	:	:	:	:	:	:	:	:	:	:		77
Adjusting couplers, coupling and uncoupling.	:	:	:	:	:				: :			: :	:	111
Falling off hand-car, motor, or velocipede.									:	:	:		:	
Hand-ear, motor, velocipede, struck by train	:	:	:	:	:	:	:	:	:	:	:	:	:	
Crawling under cars.				: :										:
Passing between cars, between couplers			:	:	:	:	:	:	:	:	:	-	:	
Struck by car standing foul.		:									: :		: :	:
					:	:	:	:	:	:	:	:	:	
Explosion of locomotive boiler. Falling off passenger frain		: :		: :	: :			: :	- 7004		: :		: :	:
Falling off tender while taking water	:	<u>:</u> :	:	:	:	:	:	:	:	:	:	:	:	:
Sideswipe. Riding on nilot or footboard of engine		: :			: :				: :		: :		: :	
Overhead obstruction					:		:	:	:	:	:	:	:	:
Falling off top of car.	:	-	:	:	:	:	:	:	:	:	:	:	:	
Falling between cars														
Jumping off train in motion.		:	:		:	:	:	:	:	:	:	:	:	
Attempt to board train in motion.						: :	: :		: :		::		: :	

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Frocuted	down by engine or cars, at stations or in vards	ght by engine or car while throwing switch	ng off side and end ladders of car	off	R fi	an.	Or	r in	moved while being loaded or unloaded	wbridge open.	nen working on or under cars on running track when moved	ning and unchaining cars.	Z am	ans			
273	do	tht	ng	ng	Hir	Jui	ıng	cing	Inc	vbr	ien	nin	ling	ing			

No. 5.—Comparative statement in totals of killed and injured by class of accident, between year ending December 31, 1928 and year ending December 31, 1929.

						1		
	192	8	1929)	Incre	ease	Decre	ease
	К.	I.	К.	I.	К.	I.	К.	I.
Derailment. Collision, head-on. Collision in yard. Collision at level (diamond) crossing. Public highway crossing protected by gates. Public highway crossing protected by bell. Public highway crossing protected by watchman. Public highway crossing protected by watchman. Public highway crossing protected by watchman. Public highway crossing unprotected. Private crossing. Trespassing. Working on or under engine. Miscellaneous. Adjusting couplers, coupling and uncoupling. Run down by engine or car between stations. Falling off hand-car, motor, or velocipede. Hand-car, motor, or velocipede, struck by train. Crawling under cars. Crawling between cars over couplers. Passing between cars over couplers. Struck by car standing foul. Struck by switch stand, water spout, mail crane etc. Crushed between cars, buildings, lumber pile, plar form, etc. Explosion of locomotive boiler. Falling off passenger train. Falling off tender while taking water. Sideswipe. Riding on pilot or footboard of engine. Overhead obstruction. Falling off troder while taking water. Sideswipe. Riding on pilot or footboard of engine. Overhead obstruction. Falling off train in motion. Attempt to board train in motion. Attempt to board train in motion. Bridge give way, or destroyed by fire. Electrocuted. Run down by engine or cars at stations or in yard Caught in frog, guard-rail, or switch rod. Caught by engine or car while throwing switch. Falling off car while working hand brake. Asphynated in tunnel. Handling freight and baggage. Loading and unloading O.C.S. material. Staking or poling cars. Working in coal chute. Cars moved while being loaded or unloaded.	K. 12 5 3 3 3 1 22 6 144 15 5 6 7 7 7 13 1 1 1 1 1 1 1 1	1. 151 64 46 59	K. 11 17 2 3 4 42 2 1 1 1 1 1 1 1 1		12 3 3 6 15 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1. 10 10 11 10 13 11 15 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1	K. 1 1 1 3 3 8 8 3 3 3 3 1 1 3 5 5 5 5 5 5 5 5 5 5 5 5 5	1. 59 3 23 28 3 20 18 4 1 2 2 20
Drawbridge open Carmen working on or under cars on running tra when moved Chaining and unchaining cars. Coupling and uncoupling hose.	k	3 i 1	4		1			3 3 1 1
Turning angle cock	44		93 426		2	55 19		4 430

	K.	I.
1928	445	3,193 2,954
[929	426	2,954
Decrease	19	239

No. 6.—Comparative statement in totals of killed and injured between year ending December 31, 1928, and year ending December 31, 1929.

Railway									
K. I. K. I. K. I. K. I. K. I.	Railway	19	28	19	929	Jner	ease	Dec	rease
Canadian Pacific. 180 1,159 158 907 22 252 Michigan Central. 18 48 18 85 37 3 11 Toronto, Hamilton & Suffalo. 11 3 90 3 79 Kettle Valley. 11 3 90 3 79 Kettle Valley. 14 5 1 Algoma Central & Hudson Bay. 3 3 3 6 3 79 Kettle Valley. 1 1 5 1 4 5 1 4 5 1 4 5 1 4 5 1 4 5 1 4 2 9 1 4 5 1 4 3 8 1 9 1 2 2 6 1 4 4 2 2 6 1 4 4 4 2 2 1 1 2 1 1 2 1 1 2 1 1		K.	I.	K.	I.	K.	I.	K.	I.
Thousand Islands. 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Canadian National. Canadian Pacific Michigan Central Quebec, Montreal & Southern Toronto, Hamilton & Buffalo Kettle Valley. Algoma Central & Hudson Bay New York Central Quebec Central. Grand River. Canadian National Electric. Northern Alberta. London & Port Stanley. Esquimalt & Nanaimo. Lake Erie & Northern. British Columbia Electric Vancouver Harbour Commissioners Terminal. Pere Marquette. Napierville Junction. Midland Railway of Manitoba. Montreal & Southern Counties. Atlantic, Quebec & Western. Algoma Eastern. Quebec Railway, Light & Power Great Northern. Windsor, Essex & Lake Shore Dominion Atlantic. Niagara, St. Catharines & Toronto. Central Vermont.	211 180 18 3 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1,872 1,159 48 18 111 9 3 3 12 8 2 3 3	2022 1588 188 31 32 11 22 99 15 5 33	1,724 907 85 7 90 144 6 20 9 6 3 3 3 1 1 1 1 1 6 2 2 3 3 3 3 3 1 1 1 6 6 6 6 6 7 8 7 8 8 7 8 8 7 8 8 7 8 8 8 8	3 1 1 1 4 4 1	37 79 5 3 3 8 1 4 23 3 3	9 22	148 252 111 5 2 2
445 3,193 426 2,954 26 190 45 429	Thousand Islands.	1	3					i	3
			3, 193	426	2,954	26	190	45	429

	K.	I.
1928	445	3,193
1929	426	2,954
Decrease	19	239

No. 7.—Statement showing collisions attended by personal injury, investigated during the year ending December 31, 1929.

Inv. File	Date	Railway	Place	Kil- led	In-
20841	Nov. 13	C.P.R	London, Ont	1	
20868	Nov. 21	C.P.R	Currie, Ont.		
20890	Dec. 13		Armstrong, Ont		
20892	Dec: 20	C.P.R	Winnipeg, Man		
20895	Nov. 28		Brooks Subdivision, M. 174		
20898	Nov. 26		Coalspur, Alta		
20929	Dec. 18	C.N.R	Dalhousie Junction, N.B	1	
20943	Jan. 2	C.N.R	Montreal, Que		
20987	Jan. 16	C.N.R	Chatham, Ont. Riviere du Loup, P.Q.		
20988	Jan. 23	C.N.R	Riviere du Loup, P.Q	1	
21007	Jan. 26	[C.P.R	Winningg, Man		
21020	Jan. 14	C.N.R	Timbrell, P.Q		
21025	Dec. 8	C.P.R	McGillvray, B.C		
21034	Jan. 19	C.P.R	Calgary, Alta		
21059	Dec. 12	C.N.R	Embarras, Alta		
21064	Jan. 27	C.P.R	Airdrie, Alta	2	
21090	Jan. 27		Lauretta, B.C	2	
21092	Feb. 13	C.P.R	Calgary, Alta		
21100	Mar. 1		Ogidaki, Ont		
21111	Feb. 18	C.N.R	Martin's Siding, Ont		
21119	Mar. 1	C.N.R	Toronto, Ont		
21152	Mar. 17	C.N.R	Lac Bouchette, P.Q		
21164	Feb. 28	T. H. & B	Hamilton, Ont		
21169	Mar. 20	C.N.R	Drocourt, Ont	12	
21187	Mar. 17	C.N.R	Millerville, N.B		
21207	April 2	C.P.R	Trenton, Ont		
21213	April 8	C.N.R	Harrisburg, Ont		
21246	April 16	C.P.R	Thamesford, Ont		
21309	April 29		Redbank, Ont		
21320	April 13	C.P.R	Windsor, Ont		
21343	May 12	[C.P.R	Carson, Sask. Calgary, Alta.		
21346	April 5	C.N.R	Calgary, Alta		
21350	May 3	C.N.R	Mont Joli, P.Q		
21380	May 2	C.P.R	Moose Jaw, Sask	1	
21383	May 17	C.N.R	Woodstock, Ont		
21407	May 30	C.N.R	Toronto, Ont		
21448	May 13	G.N.R	Sapperton, B.C		
21498	June 19	C.N.E	St. Catharines, Ont	1	
21520	July 4	M.C.R	Montrose, Ont		1
21591	July 7	C.P.R			
21613	July 11	C.N.R	French Village Siding, N.S		
21677	Aug. 1	C.N.R	Watrous, Sask		
21686	June 25		Alexandria, Ont		
21695	July 18	C.N.R			
21711	July 5	C.N.R	Brockville, Ont		
21739	July 16	C.N.R	Oriole, Ont		
21771	Aug. 27	C.N.R	rembroke, Ont		
21812	Sept. 9	T.H. & B		1	
21844	Sept. 20	C.P.R		1	1
21876	Sept. 2	C.N.R	Vivien, Man		1
21934	Oet. 6	C.P.R	Minnedosa, Man		1
22098	Sept. 11	C.P.R	Field, B.C.		
22121	Oct. 7	C.P.R			
22157	Dec. 7	C.P.R	West Toronto, Ont		
22087	Nov. 13	C.N.R			
22120	Oct. 15	C.N.R	victoriaville, Que		
				1	

No. 8.—Statement showing derailments attended by personal injury, investigated during the year ending December 31, 1929.

20870 20914 20960 20961 20978 21023	Jan. 2 Jan. 19 Dec. 14 Dec. 23	C.N.R. C.N.R.	George, B.C.		
20960 20961 20978 21023	Dec. 14 Dec. 23				
20961 20978 21023	Dec. 23		Dayside, Ont		1
20978 21023		C.P.R	Claremont Station, 12 miles Floot Ont		
21023		C.N.R	Diadacona, Que	1	1
	Nov. 10	C.N.R	12 10 total Subu, Mileage 89. N.S		
21024	Feb. 15 Feb. 20	C.N.R	Alla, Alla	į.	
21031	Nov. 25	C.N.R.	Dairus Siuing, Unt	į.	
21073	Mar. 3	C.N.R.	Daivus, D.C	4	
21105	Feb. 18	C.N.R.	Inkitsaph, B.C.		
21129	Mar. 8	C.N.R.	Rathburn, Ont.		
21154	Mar. 27	C.N.R	Deschambault, Que.	2	
21180	Mar. 25	C.N.R	Woodstock, Ont. Blackfoot Subd., Mileage 52, Sask.		
21192	Feb. 21	C.N.R.	Moore's Siding, Huntsville Subd., M. 128, Ont.		
21238	April 22	C.N.R	Bathurst Subd., Mileage 174.50, N.B.	2	
21278	Mar. 5	C.N.R			
21296	May 12	C.N.R	Managrave Dubu., Mileage bu. (V.S.		
21329	April 19	C.N.R	100, Thecre, Wile	- (
21408	May 17	C.N.R	Optergrove, Ont		
21434	May 25	C.N.R	ATEVIE STATION, 30 noies North Man		
21452 21847	June 2	C.N.R	Lempriere, B.C		
21539	June 27 June 6	C.N.E	r ort Damousie, Ont	1	
21642	June 25	C.N.R.	Saskatoon, Sask		
21643	June 28	C.N.R.	Diame Lake, east of M. 91 Sask		
21698	Aug. 24	C.N.R.	Duck Lake Subd. North of M. 42, Sask		
21705	July 16	C.N.R.	Mariposa, 2 miles East, Ont.		
21710	July 29	C.N.R	Scottsburg, Sask Renfrew Subd., Mileage 43, Ont		
21750	Aug. 17	C.N.R	Fairview, N.S.		
21788	Aug. 6	C.N.R	John John John J. Mileage III (Jue	1	
21809	July 26	C.N.R	Eddington, Sask		
21810	Sept. 25	C.N.R	Aingston Junction, Ont	1	
21839	Sept. 14	C.N.R	Sandlands, Man		
21845	Sept. 2	C.N.R	Unappell, Sask		
21910 21961	Sept. 20	C.P.R	Altawan Subd., Mileage 13, Alta	- 1	
21961	Oct. 6	C.N.R	Green Point, N.B		
21909	Oct. 17 Sept. 25	C.N.R.	Aena, Sask	- 1	
22021	Nov. 3		Manseau, Que	- 1	
22047	Nov. 1		Canyon, Ont.		
22092	Sept. 15	C.P.R	Carmen Subd., Mileage 36, Man.		
22123	Oct. 28	C.N.R.	Lake Windermere Subd., Mileage 18, B.C.		;
22039	Sept. 16	K.V.B.	Sangudo, 3 poles East of, Alta Copper Mountain Subd., Mileage 13.8, B.C	2	
	- pr. 20		copper aroundam ounds, armeage 19.5, D.C		
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-Statement showing highway crossing accidents attended by personal injury, investigated during year ending December 31, 1929. No. 9.

Sgle; r.a. urban; bldgs; trees; carelessness Sgle; r.a. urban; bldgs; sdgs; carelessness urban; bldgs; sdgs; carelessness Oble; r.a. urban; bldgs; carelessness r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Dble; r.a. rural; h.g. Oble; r.a. urban; bldgs; carelessness r.a. urban; bldgs; carelessness sgle; r.a. urban; bldgs; carelessness sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bidgs; trees. Oble; r.a. rural; bidgs; curelessness sgle; r.a. urban; bldgs; carelessness Oble; r.a. urban; bldgs; carelessness igle; r.a. urban; bldgs; carelessness sgle; r.a. rural; bldgs; carelessness sgle; r.a. urban; bldgs; carelessness sgle; r.a. rural; trees; carelessness igle; r.a. urban; bldgs; carelessness bldgs; carelessness sgie; r.a. rural; bldgs; carelessness sgle; r.a. rural; trees; carelessness Oble; r.a. rural; stn; carelessness Sgle; r.a. rural; h.g.; carelessness sgle; r.a. rural; sdg; carelessness igle; skew urban; bldgs; trees sgle; r.a. urban; bldgs; trees. Oble: r.a. urban; bldgs; sdgs. sgle; r.a. urban; bldgs; sdgs. Sgle; r.a. urban; carelessness Sgle, r.a. rural; carelessness Sgle, r.a. rural; h.g. Sgle, r.a. rural; h.g. Sgle, r.a. rural; h.g. sgle; r.a. rurul; carelessness Oble; r.a. urban; bldgs; stn. sgle; skew urban; bldgs. Oble; r.a. urban; bldgs. Oble; r.a. urban; bldgs. Oble: r.a. urban: bldgs. sgle; r.a. urban; bldgs. sgle; r.a. urban; bldgs. sgle; r.a. rural; trees. Oble: r.a. rural; sdgs. sgle; r.a.; bldgs; sdg. Oble; r.a.; brush. Oble; r.a. rural; Class of Accident Auto Auto Auto Pedes. Pedes. Sleigh Auto Pedes. Auto Auto Truck Truck Sleigh ruck oin onny Auto otay Auto onny vuto oth othy Auto Auto Pedes. Auto Protection Comp. Gates Unp. Jup. Capp. Chip. Unp. Jup. Inp. 20 00 M. 1 ACCap, crossing at, Que.

Vorth May, Out., John Nertet crossing.

Megantic Station, Que, crossing 2.7 nn. West.

Ningra Falls, Out., crossing 14 nn. West.

Ningra Falls, Out., crossing 18 nn. West.

Guelph, Ont., Albas Road crossing Rentrew, Ont., 1st crossing West of Amprior, Ont., 1lugh Ns. crossing. Edmonton, Alta, 115th Avena crossing. St. Madeleine, P.Q., St. Mideleine Street. Mainton, Que, Main Street crossing. Carleton Place, Ont., Lake Ave. crossing Stoney Creek, Ont. 1st crossing West of Kingston Junction, Catarara crossing, Out. Morin Siding, crossing at, Que Phree Rivers, Que., Laviolette St. crossing. Regina, Sask., Winnipeg Street Brampton, Ont., Mill Street crossing Lachevrotiere, Que., 1st crossing East..... Montreal Terminals, Que., Desormeaux St. St. John, Que., Mercher Street crossing Mord Stn., Ont., crossing 2 miles South. Woodstock, Ont., Wilson Street crossing West Brantford, Ont., Mount Pleasant St. 'nionville, Ont., 2nd crossing West of. Streets Ford City, Montreuil Road, Ont.... Guelph Junction, Ont., Suffolk Street. Wellington Street. Dorchester, Ont., 1st crossing West... slington, Ont., Grosvenor Crescent Walkerville, Ont., Tecumseh Road. Tupper St., Man. Kitchener, Ont., Union Boulevard. Thaplin, Sask., 1st crossing West Winnipeg, Man., Sargent Avenue. St. Thomas, Ont., Wellington Hamilton, Ont., Hess & Bold Montrose, Ont., Argyle Road London, Ont., Quebee Street... Guelph, Ont., Glasgow Street Rottluff, B.C., crossing at ... Jondon, Ont., Dundas Street. ,ondon, Ont., Dundas Street. Portage La Prairie. Railway 5.55 p. 11.158 p. 11.158 p. 15.57 p. 15.58 p. 15 6.10 11. 6-10 p. 6-55 a. 5-05 p. 14-00 k. 23-50 k. 2-40 p. k. 111-35 p. 111-35 p. 14-10 k. 4-20 p. 1-10 p. 11-0 p. Time Date Dec. Jec. ec. ec. Dec. ec.)ec.)ec.)ec.)ec.)ec.)ec. Dec. Sec. ee.)ec. Jov. un. 9437-552 25542-46 27066-15 9437-1337 27929-22 26711-285 26842-103 Case 5141 9457-1223 28786.39 9437.121 9437.122 26711.159 26782.140 9437.1012 18402.100 27156.127 26711.184 26711.184 26727.213 9437.1040 27156-128 26763-65 9437-337 26711 - 282 9437 - 133 28786 - 40 9437 - 592 26711 - 283 9437 - 162 27608 - 3 9437 · 1007 27802 · 19 350 19 55 284 27156-129 Board 6765-180 26807.41 35460.1 27156 26711-26782 8038 20935 9949 20954 20871 20872 20873 20873 20877 6280 0884 0885 0060 6080 0881 0882 20844 0847 0852 0854 0875 0876 8780 20843 Inv. File

Sglerra, urban; bldgs, Carelessness Sglerra, urban; bldgs, Carelessness Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Sglerra, urban; bldgs, Carelessness Sglerra, urban; bldgs, Carelessness Sglerra, urban; bldgs, carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness Sglerra, urban; bldgs; carelessness	Ubler, ra. urban, bldgs. Sgler, ra. urban, bldgs, carelessness Sgler, ra. urban, bldgs, carelessness Dbler, ra. urban, bldgs, sdgs. Sgler, ra. urban, bldgs, sdgs. Dbler, ra. urban, rangelessness Dbler, ra. urban, rangelessness Sgler, ra. urban, bldgs, carelessness Sgler, ra. urban, bldgs, rangelessness Sgler, ra. urban, bldgs, rangelessness Sgler, ra. urban, bldgs, rangelessness Sgler, ra. urban, bldgs, hg. Sgler, ra. urban, rangelessness Sgler, ra. urban, bldgs, hg. Sgler, ra. urban, bldgs, hg.
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Lake Shore, Ont., Howard Avenue Kitchener, Ont., Ehren Street. Prestow, Ont., Union Street. Lumenburg Sd., M.P. 1.2, N.S. Gemetery cross- nig. Hamilton, Ont., Fariles South, N.B. Cornwall, Ont., crossing 1 mile North. Toronto, Ont., Scott St. Kelstem, Sask., crossing at, P. Q. Kelstem, Sask., crossing at, P. Q. Kelstem, Sask., crossing at, P. Q. Kelstem, Sask., crossing at, P. Q. Kelstem, Sask., crossing at, P. Q. Kelstem, Sask., crossing at, P. Q. Kelstem, Sask., and Cossing St. Calilliwack. Ont, Divier Grossing South, Regina, Sask., St. Ave. & Winnipog St. Outremont, Que., Park Ave. Crossing. Calilliwack. C	S. White's Star. Out., 4th Concession. St. Catharines, Ont., 4th Concession. St. Catharines, Ont. Beryman Ave. Poen Lausley, Out., Dundas Highway Dean Lale Stn., Out., 1st crossing East, Fort William, Ont., Brack St. Glavel, nar, Basch Road crossing. Glavel, nar, Basch Road crossing. Miloo, Out., Martin St. Miloo, Out., Martin St. Midstone Stn., Out., Talbot Road Spatial Concession Road Seltin, Out., Chambers St. Southwark, Que., Cofe Noir Road Woodstock, Out., George St. Montreal, Que., crossing Mate end Victoria Bridge Longue Pointe, P. Q. Asylum Crossing. Codar Brace, Out., crossing att. Codar Brace, Out., crossing Milage 1-86. Summareville, Out., crossing att. N. North Simcoe, Out., crossing att. Salkink, N.S., crossing att. Salkink, S., crossing att. Salkink, M.S., crossing att.
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9.—Statement showing highway crossing accidents attended by personal injury, investigated during year ending No.

Sgle; r.a. urban; blsgd; sdgs; carelessness Sgle; r.a. urban; bldgs; sdg; carelessness Sgle; r.a. urban; bldgs; sdg; carelessness Oble; skew; rural; sdg; stn.; carelessness Sgle; r.a. rural; stn. trees; carelessness bldgs; carelessness Dble; skew; rural; trees; carelessness Dble; r.a. rural; bldgs. Oble; r.a. urban; bldgs; carelessness Oble; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Dble; skew; rural; bldgs; carelessness Dble; r.a. urban; bldgs; carelessness sigle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelesaness Sgle; r.a. urban; bldgs. sgle; r.a. urban; bldgs; carelessness Sgle; r.a. rural; bldgs; carelessness Dble; r.a. rural; h.g.; carelessness Sgle; r.a. urban; sdg; carelessness Sgle; r.a. urban; sdg; carelessness Sgle; r.a. urban; h.g.; carelessness Oble; r.a. urban; bldgs; trees. Oble; r.a. urban; bldgs; sdg. Sgle; r.a. rural; carelessness Sgle; r.a. rural; carelessness Sgle; r.a. rural; carelessness Sgle; r.a.; h.g.; carelessness Remarks Sgle; r.a. urban; sdgs; stn. Oble; r.a. urban; bldgs. Oble; r.a. urban; bldgs. Oble; skew; urban; sdg Oble; r.a. urban; bldgs. Søle: r.a. urban: bldgs. Sgle; r.a. urban; bldgs. Oble: r.a. urban; bldgs Sgle; r.a. urban; bldgs. Sgle; r.a. urban; trees. Sgle; r.a. rural; h.g. Sgle; r.a. urban; bldgs. Sgle; r.a. rural; trees Sgle; r.a. rural; bldgs. Oble: r.a. rural; trees. Sgle; r.a. urban; stn. Sgle; r.a. rural; h.g. Oble; skew; urban; Oble: skew; rural. Oble; r.a. urban. Søle: r.a. urban. Class of Accident Auto Wagon Auto Auto Wagon Auto Auto Pedes. Auto Buggy Auto Auto Pedes. Pedes. Auto Auto Wagon Auto Auto ruck Auto uto Auto Auto Auto Luto Luto Luto 1 uto Auto Auto Protec-W'man Bell tion Gup. Unp. Unp. Unp. Jup. Chp. Chp. Chp. Chp. Chp. Unp. Bell Bell December 31, 1929—(Continued) M Edgewater, Ont , 1st crossing W. of Canal Bridge. Actonvale, Que., St. Andre St. crossing... Doucet's Landing Stn., Que., 1st crossing North. Chappell, Sask., crossing 1 mile West. Richmond Hill, Ont., 2nd rd. crossing South... Regina, Sask., crossing 4th Ave. & Scarth St. Long Branch, Ont., Golf Links Crossing. Monkland Stn., Ont., 1st crossing East of Napanee, Ont., Selby Rd. crossing. Kingsville Stn., Ont., 2nd rd. crossing East. Sarnia, Ont., Christina Street. Glen Robertson, Ont., 1st crossing West Steelton, Ont., Huron St. Crossing Ashville Stn., Man., crossing just East of Chantler Stn., Ont., 2nd road crossing Fast. Burlington, Out., 1st crossing West of Melbourne Stn., Ont., crossing just East of Almonte, Ont. Main St. crossing. Vancouver, BC., 6th Ave. & Pine St. Chatham, Ont. 24 miles West. Guelph, Ont. Metcalfe St. Portersburg, Ont. Dundas St. O'Keele, B.C., crossing near. Winchester Stn., Ont., crossing East of. Newcastle Townsite, B.C., crossing at. Riverside, Ont., River Road crossing. Regina, Sask., Pasqua St. Maidstone, Ont., Talbot Rd. crossing. Flamboro Stn., Ont., crossing West of Winnipeg, Man., Nairn Ave.....Regina, Sask., Dewdney St..... Prescott Subd., Ont., Mileage 1.5. Edgerton, Alta., crossing East of. Belleville, Ont., Cannifton Road. Oresden, Ont., road crossing at. Walkerville, Ont., Seminole St. Maidstone, Ont., Talbot Road. Port Colborne, Ont., Steel St. Edmonton, Alta., 93rd St..... Durham, Ont., Garafraxas St. London, Ont., Colborne St. Place Leamington, Ont., Erie St Blythe, Ont., Queen St Jondon, Ont., Adelaide St. Chatham, Ont., Degge St. Bucke, Ont., crossing at. Railway Time Date April May May May May June May pril May Mar. May May May April May pril pril pril April pril pril pril pril May pril Jay pril ar. 26727 67 26744 59 26711 301 26807 53 9437 291 9437 735 2672 105 2677 1138 9437 1138 26842 12 27467 79 27467 1138 27929-34 26727-249 3287 26374.2 26782.151 Case 1230 27802.20 9437 - 694 26727 - 256 9437 - 1211 30213 - 12 Case 4838 26711 · 202 26711 · 130 26711 · 300 28786-43 1774 27929-32 26765-79 Board 9437.288 26782.5 27811 . 1 30051.4 26711 26842. 25791 28786 2581 21326 21333 21336 21342 21347 21348 21349 21353 21354 21356 21374 21376 1381 21389 1251 1301 Inv.

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21408 21410 21411 21417 21420 21424 21424 21425 21425 21425	21427 21428 21428 21436 21437 21438 21439 21449 21444 21444	21450 21453 21455 21455 21472 21476 21477 21480	21494 21495 21502 21503 21504 21504 21507	21512 21513 21514 21514 21517 21523 21523 21523 21524 21524	21548 21551 21551 21555 21558 21560 21560 21561 21562

No. 9.—Statement showing highway crossing accidents attended by personal injury, investigated during year ending December 31, 1929—(Continued)

	Remarks	Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; deg.; trees Sgler r.a. rural; deg.; trees Sgler r.a. rural; deg.; trees Sgler r.a. rural; deg.; trees Sgler r.a. rural; deg.; trees Sgler r.a. rural; deg.; degesness Sgler r.a. rural; trees; carelessness Sgler r.a. rural; trees; carelessness Sgler r.a. rural; trees; carelessness Sgler r.a. rural; trees carelessness Sgler r.a. rural; trees carelessness Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; degs; carelessness Sgler r.a. rural; degs; carelessness Sgler r.a. rural; carelessness Sgler r.a. rural; degs; carelessness Sgler r.a. rural; degs; carelessness Sgler r.a. rural; degs; carelessness Sgler r.a. rural; trees Sgler r.a. rural; trees Sgler r.a. rural; degs; sarelessness Sgler
	Class of Accident	Auto Auto Auto Auto Auto Auto Auto Auto
	Protec- tion	CCC To be compared to the comp
	H	HANNE THOUSAND
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	Place	Gadshill, Ont., 1st crossing east of Migog Sin., 23 miles weet of, Que Thoroid Sin, Ont., 1st crossing east Thoroid Sin, Ont., 1st crossing east Chilliwack, B. C., Yale Road crossing Halliex Subdivision, Mileage 34, N.S., Aikens Lumby, B.C., crossing west end of yard. Joffic. Alta, crossing weat. St. Ann's, Ont., 2nd crossing west. St. Thomas, Ont., Elgin St. crossing Barnfowd Jun., Ont., prossing west. St. Thomas, Ont., Uctoria St. crossing Barnford Stn., Ont., prossing east of Tweed, Ont., Victoria Street crossing, west end Nash Creek, N.B., Mileage 15:1 Bathurst Sub- division. Pairwille, N.B., Mileage 15:1 Bathurst Sub- division. Colevaire Stn., Que., St. Helene Crossing. Subdivision. Colevaire Stn., Que., Church crossing north. Valley, Jot. Xard, Que., Church crossing north. Winnipe, Man. A rington St. and Ross Ave. Barla, Ont., sta crossing north. Winnipe, Man. A rington St. and Ross Ave. Burla, Stn., Atta., 1st crossing north. Winnipe, Man. A rington St. and Ross Ave. Man. Road Crossing at. Durham, Ont., 2nd crossing north. Man. Road Crossing at. Durham, Ont., 2nd crossing north. Man. Road Crossing at. Durham, Ont., stake, ist crossing east St. Basil, N.B., 24 miles south. Robinhood, Stake, Datod Street. Galeph, Ont., 32 Halles south. Robinhood, Stake, Datod Street. Labums, Alta. Ist crossing east St. Basil, N.B., 24 miles south. Robinhood, Stake, Peebles crossing east St. Basil, Ont., Durham Street. Condon, Ont., Durdas Street. Condon, Ont., Durham Street. Condon, Ont., Durkan Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Durham Street. Condour, Ont., Ontrossing at.
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-	Board	26711-310 22703-46 22707-3-46 22707-3-46 27707-3-6 27707-3-6 27707-2-6 27707-2-6 27707-2-6 27707-2-6 27707-2-6 27707-2-6 27701-11 33229-5-3 31646-20 30213-16 3323-16 37707-3-6 27707-3-6
	Inv. File	21566 21567 21567 21568 21568 21568 21610

	Dble; r.a. urban; trees; carelessness	Sgle, r.a. rural; carelessness	Sgle; r.a. rural; carelessness	Sgle; r.a. urban; carelessness	Sgie; r.a. urban; bidgs; trees; carelessness	Solor ra urban; Bldgs; trees	Solor r o mirol: carelessness	Sgle: r.a. rural, by corpless	Sgle: T.a. rural: trees careleseness	Dble; r.a. urban; carelessness	Sgle; r.a. urban; bldøs; carelesenese	Dble; r.a. urban; bldgs; sdg. carelegenese	Dble; r.a. rural; carelessness	Sgle; r.a. rural.		Sgle; r.a. rural; carelessness	Sgle; r.a. rural; carelessness	Sgle; r.a. rural; carelessness	Sgle; r.a. urban; bldgs; sdg; carelessness	Dble; r.a. urban; bldgs.	Sgle; r.a. rural; carelessness	Sgle; r.a. rural	Sgle; r.a. urban; trees; carelessness	Sgle; r.a. urban; sdgs; trees	Sgle, r.a. urban; h.g.	Dble; r.a. urban; bldgs; carelessness	Sgle; r.a. urban; bldgs.	Sgle; r.a. rural	Sgle; r. a. rural; trees; h.g.; carelessness	Sgie; r.a. urban; bldgs,	Sgle, r.a. rural; trees; carelessness	Dole; r.a. urban; bidgs.	Sgle; r.a. rural; bldgs.	Calor a urban; carelessness	Sale: r.a. rural; bidgs; stn.	Sole r a urban bld	Diller r a rurel correlecence	Sgle: r.a. urban: carelessness	Sgle: r.a. urban: carelessness	Sgle; r.a. urban; h.g.	Sgle; r.a. urban; carelessness	Sgle; r.a. rural; carelessness	Dble; r.a. urban; sdgs; carelessness	Uble; r.a. urban; carelessness	Dble; r.a. rural	Dale, r.a. urban; bldgs; sdgs; carelessness	Solor r o ringl; blugs; carelessness	Dble: r.a. urban: bldgs	Sgle; r.a. rural; carelessness	Sgle; r.a. rural; trees	Sgle, r.a. rural; trees	Sele: r.a. urban; bldgs; carelessness	Sgle; r.a. rural; carelessness
	Auto	Auto	Truck	Auto	Byrele	Auto	Auto	Auto	Auto	Auto	Auto	Pedes.	Auto	Auto		Auto	Truck	Lruck	Auto	redes.	Wagon	Auto	Auto	Ledes.	Auto	Auto	Truck	Buggy	Auto	Auto	Auto	Auto	Auto	Anto	Anto	Auto	Auto	Wagon	Auto	Pedes.	Wagon	Auto	Auto	Auto	Lruck	Pedes.	Anto	Auto	Truck	Auto	Auto	Auto	Truck
	2 Bell	2 Unp.	Unp.	1 Rall	Bell	1 Unp.	1 Unp.	1 Unp.	I Unp.	I Unp.	4 Unp.	Gates	Z Unp.	I Unp.	1,1	Cup.	Cub.	T Cup.	I Dell	TIME.	o Iring.		Unp.	o Cub.	TIACT 7	L Cap.	I Bell	Z Cup.	o Cup.	1 ITan	1 Ump.	1 Tinn	Gates	1 Unn.	2 Bell	1 Unp.	2 Unp.	I Unp.	3 Unp.	I Bell	I Unp.	duni.	Waten.	TIND.	1 Cup.			h.		I Chip.	1 Rell		1 Unp.
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Galt. Ont Borronly, St		Bothwell Ont 1st Dood age.	Thorold, Ont., Queen Street	Baden, Ont., 2nd crossing east	Montreal, Que, Côte des Neiges.	Preference Street crossing.	Oxford Tot NI C Bue, Crossing south of	Weyburn Stn. Sagle 1st oncome M.P. 22.	Welland, Ont. 1st proseing ocet C N. T.	Peterboro, Ont. Monaghan Boad ongging				Port Robinson, Ont. Stone Boad 2nd among	West	Atwood, Ont., Main Street crossing	Strongfield Stn., Sask., 1st crossing north	Arnprior, Ont., Daniel Street	Brockville, Ont., Ormand Street.	Monastery Stn., N.S., 2nd crossing east	Sable River, N.S., crossing at.	New Westminster, B.C., Braid Street	Oshawa Yard, Ont., Ritson Road crossing	Woodstock Stn., Ont., Vansitart Street	Vancouver, B.C., Pine Street	Milverton Stn., 1st crossing west, Ont	Swan River, Man., Erwood Sub crossing M P 9	Cobble Hill, B.C., crossing at station	Walkerville, Ont., Tecumseh Road	Arkell Stn., Ont., 1.3 miles east	Walkerville, Ont., Edna Street	I nree Hills, Alta., crossing near.	Ottawa, Ont., Queen Street West.	St. Simon, Que., crossing at.	Hatley Stn., Que., 1st crossing north.	St Phillips St. Ourt Street	Soo Out Tohn Stage, 1.2 miles north	North Edmonton Alta 68th Stant	Bracebridge Out Spicer Street	St. Boniface. Man Marion Street	Jonquière, Que., La Ratière Street	North Bay, Ont., Golf Street crossing		Austin Stn., Man., 1st crossing west	Dunnville, Ont., Cedar Street.	Thornton Ort. Martin Street.	London Post Out, 2nd crossing north of			Halkirk Stn., Alta., 1st crossing east.		Durward Str. Alto 12t Constinuent	
G.R.R.	M.C.R.	N N	CNE		7.F.F.	CPR	Z	C.P.R.	M.C.R.	C.P.R.	C.N.R.	C.N.R.	C.P.R.	C.N.R.	1	C.N.R.	C.P.R.	C.P.B.	C. K. K.	C.N.F.	C.S.S.	C.F.R.	C.P.R.	C.P.R.	B.C.E.	C.P.R.	O.N.R.	E S	P.M.R.	C.F.R.	Z.Z.	3.5	C.N.F.	100	2 Z	CPR	CPR	C.N.R.	C.N.R.	C.N.R.	C.N.R.	C.P.R.	S.C.	7. F. F. F. F. F. F. F. F. F. F. F. F. F.	S. K.	i z	N	C.P.R.	C.N.R.	C.P.R.	7. F. F. F. F. F. F. F. F. F. F. F. F. F.	CPR	
6.55 p.	10.00 a.	6.00 a.	2.16 p.	0.00 p	33.32	2.32 p.	10.20 a.	22.15 k.	11.05 a.	11.50 a.	7.40 p.	4·10 p.	3.40 b.	1.25 a.	000	12.02 p.	10.55 K.	4.40 3.	3.07 p.	1.00 St.	0.00 b.	14 - 04 K.	7.30 p.	12.54 p.	14.40 K.	8.29 a.	7.30 k.	15.24 K.	10.10 p.	10.10 =	14.55 Jr	9.10 a	7.20 0.	9.02 n	1.10 p.	10.34 a.	1.12 p.	22.55 k.	9.20 a.	20.20 k.	7.40 a.	12.05 8.	19.10 K.	10.00 K	10.00 p.	3.25 p.	12.40 p.	17.05 k.	9.15 a.	10.30 k.	11.00 L	14.45 k.	
Aug. 3	Sept. 1	July 25	Aug. 15	Ang. 23	June 30	Aug. 10	Aug. 27	Aug. 9	Aug. 1	Sept. 8	Aug. 29	Aug. 20	Sept. 3	Aug. 14	Cont 40	Sept. 18	Sept. 2	Sept. 17	Sont 5	Inly 11	Tuly 10	Dog 90	Cont. 20	Tulti 16	Sont 500	Sept. 20	Aug. 17	Sept. 3	Sopt 10	Sont 10	Sept. 17	Oct	Sept. 11	Aug. 31	Sept. 11	Sept. 11	Sept. 19	Aug. 27	Sept. 11	Aug. 30	Aug. 23	Cont 16	Sept. 10	Oct 10	Sent 91	Aug. 24	Oct. 9	Sept. 25	Aug. 23	Oct 9	Sept. 5	Sept. 24	
0.0000 00410	21724 26744.60	21725 26711-315	21735 9437-1331	21740 9437.565	21748 28300.21	21751 27156-138	21756 27218-72	21759 26807-73	21/03 20842-122	91790 16404	91795 96700 15	91798 97152 190	91806 96711 910	616.11102 60012	91806 96711.390	21807 98807.75	21817 0487.409	21818 26711.391	21824 33229.55	21825 33229.6	21828 30558	21830 3701.69	21834 26797	21835 30051.4	21837 0437.083	91840 96744.61	21841 97073.54	21848 97090.99	21849 26727.973	21850 10683	21852 28786-46	21860 Case 3050	21861 27156-140	21862 31646.21	21863 9437.1009	21864 27156 139	21867 26727-272	91079 0497 004	91079 10007	91878 22700	21889 98889	21887 28786.93	21888 34429	21889 9437.417	21890 13571	21897 9437-852	21898 9437.552	21899 27365-44	91902 20102-100	21905 9437-591	21914 27467-87	21915 27811.51	

No. 9.—Statement showing highway crossing accidents attended by personal injury, investigated during year ending December 31, 1929—(Concluded)

Remarks	Dble; r.a. urban; carelessness Dble; r.a. urban; carelessness Sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Dble; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Dble; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Dble; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; carelessness Sgle; r.a. urban; bldgs; sdgs.
Class of Accident	Auto Auto Auto Auto Auto Auto Auto Auto
Protec- tion	COUP. COUP.
н	
K.	1 1 20 1 1 10 20 0
Place	Minizo Cutoff, Out., Homer Avenue. Montrose Jet., Ont., Stone Hoad crossing. West Toronto, Ont., Unching ton Avenue. West Toronto, Ont., Ont., Ont. Ont. Foughting En., Ont., Car. Dover & King Streets. Cambelton, N. B., Prince William Street. Bathurst Sub. N. B., M. P. 134, McItyre's services of the crossing west. Aprile, M. Beath Road crossing west. Anneley, Sask., crossing station. Anceling, Ont., I and west. Anceling, Alta, 3rd crossing east Cooking Lake Str., Alta, ist crossing east Cooking Lake Str., Alta, ist crossing east Cooking Lake Str., Alta, ist crossing east Cooking Lake Str., Alta, oresing east Cooking Lake Str., Alta, and crossing east Cooking Lake Str., Alta, crossing east Cooking Lake Str., Nat., Str., Crossing east Cooking Lake Str., Nat., Str. oresing east Marganists, Que., crossing west. St. Stanislas, Que., crossing west of Vancebello Str., Na., East Str., Str., Str., Ont., Highbury Avenue Montebello Str., Que., Cote Noire Road. Marvick Str., Que., Torosing west Challiwack BC., I mile north. Nationish, N. S., crossing west Challiwack B. C., I mile north. Warcouver, B. C., Silisbury Drive. Chilliwack B. C., Services B. C., oresing over west leg of. Avening, Out., Encorsing west Chilliwack B. C., crossing over west leg of. Avening, Out., Park, Elevent St. Crossing Backstoon, Sask, Elevent St. Crossing Elora, Ont., Ilvine Street crossing
Railway	CNNCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC
Time	2.200 p. 2.2
Date	Oct. 11 100 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Board	26727-274 26522-134 26542-134 26542-134 26511-346 26511-346 33229-38 33229-12 27802-2 26727-31 26727-31 26727-31 26727-31 27218-7 27218-6 27218-7
Inv. File	21917 21919 21919 21919 21929 21929 21929 21929 21929 21946 21947 21947 21947 21947 21947 21947 21947 21947 21947 21947 21947 21947 21947 21947 22007 22007 22005 22004 22005

(Sgle; r.a. urban; bldgs; garelesences	Sgle; r.a. rural; b.b.n.g. Dble; r.a. ruban; bldgs; sdgs. Sgle; r.a. urban; bldgs; carelessness	Sgle; r.a. urban; bldgs; carelesaness Sgle; r.a. urban; bldgs; carelesaness Sgel; r. a. urban; bldgs; trees; carelesaness Sgle; r.a. urban; bldgs; sdgs. Sgle; r.a. rural; bldgs; bldgs.	Dble; r.a. urban Sgle; r.a. rural; carelessness Sgle; r.a. urban; carelessness Sgle; r.a. urban; bdlags. Sgle; r.a. rural; blags; trees	Dible; r.a. rural; bldgs; carelessness Dble; r.a. urban Dble; r.a. urban, bldgs; carelessness Sgle; r.a. urral; carelessness Sgle; r.a. urban; blds;	Sgle; r.a. rural Sgel; r.a. rural; carelessness Sgle; r.a. rural; carelessness Sgle; r.a. urban; bidgs; carelessness Sgle; r.a. urban; bidgs.	Dble; r.a. urban; bidgs; carelessness Sgle; r.a. ural; trees; carelessness Dble; r.a. urban; trees Sgle; r.a. urual; carelessness Dble; r.a. rural; bidgs.	Sglej: r.a. urbat; carcleseness Sglej: r.a. urbat; bldgs; carclessness Sgle; r.a. rural; carclessness Dble; r.a. rural; carclessness
Auto	Auto Auto Auto	Auto Auto Auto	Auto Auto Auto Auto Auto	Auto Auto Auto Auto Auto	Auto Pedes. Auto Truck Pedes. Auto	Truck Auto Pedes. Auto Pedes. Auto	Auto Auto Auto Auto
C.N.R. Mantapedia Sub. N.R. M. P. 9.5. ux 2 Bell	Crossing Amherst, N.S., Spring Street. Kitchener, Ont., Weber Street. Calevon Str., Ont., crossing south of	Ottawa, Ont., Downie Street. Ottawa, Ont., Gladstone Avenue Pamystelle Stn., Man. 1st crossing east. Winnipeg, Man. Harrow Street.	C.N.R. Aylmer, Out., 3rd crossing east. M. & S.C. St. Lambert, Que, Edison Avenue. E. & N. Naramno, B.C., Albert Street. F.M.R. Merlin Stn., Ohr, 1st crossing east. F.M.R. Oldeastle, Out., 1st crossing west.	Walkerville, Ont., Walker Road Windsor, Ont., Teeumsel Road Tansley, Ont., Dundas Crossing Sault Ste. Marie, Ont., Huron Street Spruce Grove, All, grossing moses	Thetford Mines Stn., Que., Martins Crossing 1 Hama Stn., Alta., 1st crossing east. Edmonton, Alta., 1st crossing east. Montreal, Que., Decourselles Street. St. Gabriel Yard, Que., St. Gabriel St. Kitchener, Ont. Waterloo	L. E. & N. Mount Pleasant Sun., Ont., 15 miles north. C. P. R. Barrington Passage, N. S., crossing at. C. N. R. Padone, Que, 1st crossing north of sin. C. N. R. Padone, Que, 1st crossing north of sin. C. N. R. Pade Sun, Sask, crossing worth of sin. C. N. R. Pate Sun, Sask, crossing weth of sin. C. N. R. Pate Sun, Sask, ask, wast	Munico, Ont., New Toronto Street. Portage Road, Ont., crossing at
5.25 a. 3.55 p.	8.25 a. 8.15 p. 9.55 a.	2.40 p. 10.45 p. 10.25 k. 21.55 k.	2.45 p. 8.12 a. 10.45 a. 12.35 p.	6.15 p. 6.15 p. 9.15 p. 7.15 p.	10.00 a. 3.48 k. 11.55 k. 4.10 p. 4.05 p.	2.15 p. 7.15 p. 8.28 p. 11.48 a. 2.30 k. 10.29 k.	8-43 p. 11-25 a.
Nov. 12 Oct. 15	Oct. 30 Nov. 9 Nov. 2 Oct. 11	Nov. 6 Nov. 22 Oct. 16 Nov. 7	Nov. 6 Oct. 31 Nov. 34 Oct. 18	Nov. 16 Nov. 10 Nov. 210	NNOV. 257	Nov. 10 Nov. 10 Nov. 10 Nov. 10 Nov. 10 Nov. 10 Nov. 10 Nov. 10 Nov. 10 Nov. 119 Nov	Dec. 4
33229.58	27218·54 26765·75 26727·275 25272	26727 · 162 33679 27365 · 45 26744 · 40	27072-37 27073-57 27929-3 27929	23361 26711-179 29639 2236-40	28786·63 28786·11 9437·635 27156·143 26765·76	2437.841 33820 26782.73 27467.91 27283.1	26727-278 26727-278
22076 22079	22080 22084 22085 22086	22090 22091 22093 22095 22095	22104 22108 22108 22109 22109	22114 22115 22117 22122	22127 22130 22130 22133 22133 22137	22144 22144 22148 22152 22155 22155	22161

EXPLANATION OF ABBREVIATIONS

2	Bidgs Buildings obstructing view Sdg Siding Sta Station h.c. High ground b.f. Bill-board b.f. Board fence	
	Unp. Unprotected Watch. Watchman Pedes. Pedestrian Sigle. Single track Dble. Double track r.a. Right angle crossing	

No. 10.—Statement showing accidents to employees while working on or under engines, investigated during year ending December 31, 1929

In- jured	
Kil.	
Remarks	Climbing into cab of engine, struck by buffer beam of passing engine. Jumped from moving engine when main pin broke. Water glass broke. Went out on running board to tap pump and fell off. Engine lurched, thrown against side of rab. Starting engine, steam pipe broke allowing live steam to escape. Starting engine, steam pipe broke allowing live steam to escape. Pulling away from coal chute, put head out of cab window and was struck by numbering board. Coal gates closed on man sarm. Applying blind joint to pump governor of engine. lost balance and fell. Applying blind joint to pump governor of engine. lost balance and fell. Cylinder head blew out knocking cylinder cock lever into cab of engine. Cylinder head blew out knocking cylinder cock lever into cab of engine. Cylinder head blew out knocking cylinder cock lever into cab of engine. Cylinder head blew out knocking cylinder cock lever into cab of engine. Cylinder head blew out knocking cylinder cock lever in caught between coal clute and top of engine when backing up to take slack. Broken glass in water gauge. Draw har broke, fell between engine and tender. Rising from manhole, struck on head by coal chute apron. Cleaning fire box, door closed on hand. Shaking grafes, bar slipped. Closing drain cocks on air pump, engine moved. Closing drain cocks on air pump, engine moved. Left inspirator pipe burst in cab of engine. Closing dynamo valve, arm came in contact with copper pipe. Clinding off engine, slipped. Water glass burst. Closing dynamo valve, arm came in contact with copper pipe. Closing dynamo valve, made mistake, closed steam valve of in spirator. Closing down on back of tender to examine water in same, slipped. Right crank pin on engine broke. Right crank pin on engine broke.
Place	Parkbeg, Sask Sustern, Alta. Lacolle, Que, 1 mile west Lacolle, Que, 1 mile west Lacolle, Que, 1 mile west Lacolle, Que, 1 mile west Ayrmess, Que Speuce Bridge, B.C., Thompson Sub) Watrous, Sask Gravenhurst, Ont West, St. John Yard, N.B. Petit Rocher, N.B. Sarnia Roundhouse, Ont Craik, Sask Craik, Sask Petit Rocher, N.B. Bernesl Bridge, B.C. Drumheller Yard, Alta. Spences Bridge, B.C. Drumheller Yard, Alta. Rochyn, Ont Cophyr, Ont Cophyr, Ont Cophyr, Ont Coldstone, Ont, 5 miles north. Sumybrae Sub., N.S. Mileage 9-50. Dulliousie Junction, N.B. Dulliousie Junction, N.B. Dulliousie Junction, Ont, Diumond at cust end of Yard Samia, Ont. Shannes, B.C. St. Davrids, Out., 3 miles west Gogganna, Ont. St. Davrids, Out.
Railway	SCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCOCO
Date	Dec. 3. Dec. 11 Dec. 11 Dec. 11 Dec. 11 Nov. 29 Nov. 21 Nov. 2
5	5048 17-18 31-28 5 6 6 13-18-18-18-18-18-18-18-18-18-18-18-18-18-

— ———— — ————	20
	1
Weyburn, Sask Foot caught under apron between engine and tender Kingston Jet, Ont. Proking under engine, same moved due to leaky throttle Ringston Jet, Ont. Paking water, grab from on water spout gave way Faking water, grab from on water spout gave way Going to water truth with light engine, struck by train order board. Sprinkling hose came off pipe Sprinkling hose came off pipe Sprinkling squirt hose pipe, bushing above valve breke Port Hope Stn., Ont., 2.8 miles west. Tightening squirt hose pipe, bushing above valve breke Facing out rail, train passed over before same was secured, thrown from engine Placing engine on turniable, slepped off pilot to place table lock, cauther, Ont. Washout plug blew out Placing engine on turniable, slepped off pilot to place table lock, cauther, Alas. Piston rod broke, struck by cylinder, scalded Piston rod broke and damaged cylinder, scalded Shunting, hand rail on engine caught loading platform. Crushed between engine and tender. Crushed between engine a	
Meybum, Sask. Knigston Jeter, Ont. Harvey, N.3. Bradwell, Sask. Midhary, Ohr., 2 miles sou Dixon Siding, Sask. Port Hope Stin, Ont., 2.8 r Cartier, Ont. Hubbard, Sask. Southesk, Alta. Victoria Sub., B.C., Mileag Cobourg Siding, N.B.	
COCCO C COCCOC NN RRRRRRRRRRRRRRRRRRRRRR	
21∝∞∞ <u>≈44</u> 2° ∝ 21% ±4-1	
July 8 July 8 July 18	
21634 21766 21766 21766 21768 21847 21847 21927 21927 22062 22146 22158	

No. 11.—Statement showing the number of highway crossing accidents, with the total number of killed and injured, by provinces, for the year ending December 31, 1929.

	i.	\$4400 \$00000000000000000000000000000000	495
Total	K.	252001100011000110001100011000110001100	140
	Acc.	2811 271 201 100 100 100 100 100 100 100 100 10	382
sh bia	H.	11.co cd co 44	33
British	K.	7 7 7	41
-0	Acc.	00 r0 01 00 00	20
ţ;	I.	13 13	40
Alberta	X	10 10	10
	Acc.	75.00	23
wan	H.	888	48
Sas- katchewan	X.	ro ro	9
	Acc.	200	34
pa	I.	64	52
Manitoba	X.		4
X	Acc.	∞	22
.o	-:	102 102 102 103 103 103 103 103 103 103 103 103 103	720
Ontario	K		2
	Acc.	8 8 8 1 0 0 0 4 0 0 6	181
20		2 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0,
Quebec	X.	65	ET.
	Acc.	1 1 1 6 6 1 1 1 6 6 1 1 1 1 1 1 1 1 1 1	3
977	I.	67	3
Prince Edward Island	X		
	Acc.	64	3
ick	}(=	
New Brunswick	K.	mm : : : : : : : : : : : : : : : : : :	
Br	Acc.	σο το	
et 06	-i-	2	
Nova Scotia	X.	co uo oc	,
	Acc.	1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
1		Canadian National Canadian Pacific Canadian Pacific Michigan Central Pere Marquette Dorninon Aduatic Toronto, Humilton & Buffalo Great Northern Montreal & Southern Counties Windson, Fisser & Lake Shore Pritish Columbia Electric Algona Contral & Hudson Bay Quebec Central Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Canadian National Electric Sequinal River London & Port Stanley Lake Eric & Northern Midhand Railway of Manitoba.	

No. 12.—Statement showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31, 1929.

Nature of Protection	C. R. Crossing sign relocuted. C. R. Shelter removed. C. R. Brush removed. Brush removed. Brush removed. Brush removed. C. P. R. Bell and wigwags installed. C. P. R. Double bells and wigwags installed. M. C. R. Lightning flash signal installed. Lightning flash signal installed. Lightning flash signal installed. Lightning flash signal installed. Lightning flash signal installed. C. P. R. Lightning flash signal installed. C. P. R. Lightning flash signal installed. C. P. R. Bells and wigwags installed. C. P. R. Bells and wigwags installed. C. P. R. Bells and wigwags installed. C. P. R. Bells and wigwags installed. C. P. R. Bells and wigwags installed. C. P. R. Avarena warning signs installed. C. P. R. Advertasing signs removed. C. P. R. Advertasing signs removed. C. P. R. Advertasing signs longer from crossing. C. P. R. Advertasing signal installed. C. P. R. Speed limitation of ten miles an hour on southbound traffic of Gars kept back 100 feet from crossing. Wigwag signal installed. C. P. R. Watchman 700 a.m. to 1.00 p.m. daily. C. P. R. Watchman 700 a.m. to 11.00 p.m. daily. C. P. R. Bell and wigwag installed.
Railway	OOO COOMMAMACOOMO COO COO COO COO COO COO COO COO CO
Location of Crossing	North Derby Stn., P.Q., 1st erossing north of Seeley's crossing, Mile 3·7 West port Sub., Ont. Ellersiie Stn., Alta., 1st crossing west of Beaverton, Ont., crossing 100 yards west of Beaverton, Ont., Nelson Street crossing. Niagara Falls, Ont., Huron & Erie St. crossing. Niagara Falls, Ont., Huron & Erie St. crossing. Niagara Falls, Ont., Fastwood Ave crossing. Niagara Falls, Ont., Simcee & Ontario Sts. crossing. Niagara Falls, Ont., Fastwood Ave crossing. Niagara Falls, Ont., Fastwood Ave crossing. Niagara Falls, Ont., Fastwood Ave crossing. Chatham, Ont., Atelaide St. crossing. St. Chossing, St. crossing. Chatham, Ont., Richmond St. crossing. Chatham, Ont., Inches Avenue crossing. Chatham, Ont., Inches Avenue crossing. Chatham, Ont., Givernment Rd. crossing. Chatham, Ont., Givernment Rd. crossing. Chatham, Ont., Larroix St. Ritchener, Ont., crossing. Chatham, Ont., Larroix St. Raing River, Ont., crossing. Chatham, Ont., Huro Rd., one-half mile west of Ritchen Ont., Nut. Malm, Ont. Chatham, Ont., The Past Crossing. Chatham, Ont., Pillette Road crossing. Hagersville, Ont., Tusarora St. crossing. Hagersville, Ont., Pillette Road crossing west of Hallicrest Stn., Alta., 3rd crossing north of Township of Etobicoke, Queen St. crossing. New Hamburg Stn., Ont. List crossing. New Hamburg Stn., Ont., Lorssing. New Hamburg Stn., Ont., Strossing. New Hamburg Stn., Ont., Strossing. New Hamburg Stn., Ont., Strossing.
Order No.	411484 411788 411789 42081 422081 422081 422081 42165 42166 42166 42166 42166 42108 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 420054 42107 42111
File No.	31646-14 26711-265 27611-43 27611-43 2765-188 26765-188 26765-188 2437-1024 9437-1024 27401-37 27401-37 27401-37 27401-37 27401-37 27401-37 27459 22661-3 22661-3 22661-3 22661-3 22661-3 22661-3 22661-3 22661-2 226711-274-2 26727-284-2 26727-284-2 26727-54-2 267

		101	21 0101	OF THE COMMISSIONERS
Tre Hoe Spe				be flagged. Advance warning signs installed. Bell and wigwags installed. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Wigwag signal added to bell. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Morrison lightning flash signals installed. Trees removed. Trees removed. Trees removed. Trees and brush cut down.
C.P.R. L.&P.S.R. C.N.R.	P.M.R. C.P.R. C.P.R. M.C.R.	CCNR	G.R.R. C.N.R. C.P.R.	CONTRACTOR COOCURATE TO COOCURATE TO COOCURA
Lake Park stn., P.Q., west of London, Ont., 1.8 miles from Richmond St. stn. London, Albert, Sask., Central Avenue crossing.	Chatham, Ont., Grand Avenue crossing. LeCap station, P.Q., erossing. Hamilton, Ont., Hess and Bold Sts. crossing. Kenora station, Ont., 4th crossing east of. Waterload, Ont., 1st crossing east of. Utterson, Ont., 1st crossing north of.	Canfield, Ont., Talbot Road crossing. Tillsonburg, Ont., 1st public crossing east of. Megantic station, P.Q., crossing 2.37 miles west of. Tadanac, B.C., crossing of the wye.	Preston, Ont., Union Street crossing. Laurier, Manitoba, crossing near. Trois Rivières, P.Q., Laviolette St. crossing.	Harrow, Ont., King St. crossing. Ottawa, Ont., Bayswater Ave. crossing. Rigaud, P.Q., St. Antoine St. crossing. London, Ont., Asylum Ave. drive crossing. London, Ont., Asylum Ave. drive crossing. London, Ont., William St. crossing. London, Ont., Mailand St. crossing. Rigaud, P.Q., St. François St. crossing. Rigaud, P.Q., St. François St. crossing. Rigaud, P.Q., Agnes St. crossing. Rigaud, P.Q., Agnes St. crossing. Rigaud, D.O., Lorosing west of. London, Ont., Dandas st. crossing. York Road crossing, Ham. and Goderich Subd., Ont. London, Ont., Dundas st. crossing. York Road crossing, Ham. and Goderich Subd., Ont. Loudon, Ont., Crossing west of. Mile 80-13 Peterboro Sd. Montrose, Ont., Stanley Street crossing. Attercliffe, Ont., Town Line Rd. crossing. Attercliffe, Ont., Town Line Rd. crossing. Ridgetown, Ont., Town Line Rd. crossing. County of Norfolk, Ont., crossing at Concessing. Township of Crowland. Town Line rd. crossing. Township of Crowland. Town Line rd. crossing. Ridgetown, Ont., 26 miles west, Seanne Rd. crossing. Ridgetown, Ont., 25 miles west, Seanne Rd. crossing. Ridgetown, Ont., 25 miles west, Seanne Rd. crossing. Ridgetown, Ont., crossing 19 poles east of Mile 60-7. Regina, Sask., crossing of 8th Avenue and Winnipog St. Chaplin, Sask., crossing west of station.
42137 42143 42146	42147 42172 42158 42169 42169 42174 42185	42188 42195 42254 42264	42302 42314 42318	42373 42398 42400 42408 42408 42408 42408 42411 42411 42411 42433 42433 42433 42433 42433 42433 42433 42433 42434 42441 42441 42441 42441 42441 42464 42464
27156·118 30424·16 22600	9437.1120 9437.1012 27066.15 26727.238 9437.1076 26711.269	9437 · 655 9437 · 549 13311 27073 · 47	35460·2 26744·58 9437·1090	27929 - 33 26765 - 263 26765 - 263 27156 - 11 9437 - 289 9437 - 291 9437 - 291 9437 - 291 9437 - 291 9437 - 121 26842 - 99 26842 - 99 26842 - 102 26842 - 102 26842 - 103 26842

No. 12.—Stritment showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31, 1929—(Continued)

Nature of Protection	Bells and wigwags installed. Gates installed or distance 200 feet each side of tracks: Ditches tiled for distance 200 feet each side of tracks: Stone house and shed removed. Bell and wigwag installed. Southbound traffic to be flagged; northbound, speed limit 10 miles per hour. Speed limitation of 8 miles an hour. Morrison lightning flash signals installed. Two lightning flash signals installed. Fencing repaired; cattle guards repaired; crossing sign	replaced. Two cars of cinders on approaches. Approaches widened; and side fence removed. Approaches brought up to standard. Approaches filled out on west side; side fence recon-	structed. Bell and wigwag installed. Wigwag signal added to bell. Wigwag signal added to bell. Farnsworth' automatic gates installed. Switching and transfer movements to be flagged over crossing. Approaches graded. Approaches graded. St. Joseph Rd. crossing closed; St. Claire Rd. diverted.	Speed restriction of ten miles an hour maintained. Watchman 7.00 a.m. to 11.00 p.m. daily; 11.00 p.m. to 7.00 a.m. speed limitation. All movements to be flagged. All movements sign relocated; additional whistle post installed.	Roadway repaired. Crossing sign installed. Divert Bridge Street, and subway constructed. Trees cut down. Bonded circuit increased; whistle post installed; high way crossing signs lowered; trees trimmed; railway to keep cars back on elevator track 50 feet from street lines.
Railway	CONR CONR CONR TVE R. & N MONR WE. & LS	C.N.R. C.N.R. C.N.R.	C.P.R. E.T.R. C.N.R. C.N.R. C.N.R.	C.P.R. C.P.R. C.N.R. E.& N	CONR CONR CONR CONR CONR
Location of Crossing	Marysaville station, Ont., Kingston Road crossing. Tecunsch Road, crossing in Township of Sandwich East, Ont. C.N.R. Kingston Jet., Ont., about 3 miles west of, Cataraqui crossing. Venables St., Vancouver, B.C., crossing. Huron St., Vancouver, B.C., crossing. Ridgetown, Ont., Victoria Avenue, crossing. Ridgetown, Ont., Victoria Avenue, crossing. Ridgetown, Chi, Clasgow St., crossing. Co. Ridgetown, Ont., Clasgow St., crossing. Co. R. M. C. Ridgetown, C. C. R. C. R. C. R. C. N. R. C. R. R. C. N. R. C. S. C. N. R. C. S. C. N. R. C. S. C. N. R. C. S. C. N. R. C. S. C. N. C. S. C. N. R. C. S.	Twp. North Cayuga, Town Line Rd. crossing, Ont. Twp. North Cayuga, Canfield Jet., 1½ miles west of, crossing, C.N.R. Twp. North Cayuga, MacFarlane Side Road crossing, Ont. Twp. North Cayuga, Cayuga station, 1·3 miles west of, crossing, C.N.R.	Rosemere station, P.Q., 1st crossing east of. Milton, Ont., Martin Street crossing. St. Hubert station, near. Montreal-Sherbrooke crossing. Windsor, Ont., Teeumseh Road crossing. Montrose, Ont., crossing I mile west of drawbridge.	Sould Ste. Marie, Huron crossing at Steelton St. London, Ont., Quebec St. crossing. Woodstock, Ont., George St. crossing. Newcastle, B.C., 7th street crossing.	Glen Robertson, Ont., 1st crossing west of Ramsayville, Ont., Russell Road crossing, Montreal, P.Q., Bridge St., vicinity of Victoria Bridge Coxheuth, N.S., crossing near, Mile 97 61 Sydney Subd Grenfell, Sask., Anderson St. crossing.
Order No.	42500 42508 42508 42463 42463 42463 42463 42466 42576			42751 42785 42785 42816	42817 42891 42923
File No.	26727-241 19634-12 9437-559 804 804 804 804 26842-101 26856-180 6437-1095	3294-32 3294-32 3294-32 3294-32	27156-114 9437-226 9437-1086 36327 26842-103	20727-67 2038 20711-298 27073-52	26661 8 192 - 5 9437 - 1240 27218 - 62 9437 - 979

Whistle posts installed and brush cut down. Advance warning signs installed. Bell and wigwag installed. Trees cut down. Wigwag signal added to bell. Trees cut down. Wigwag signal added to bell. Trees cut down. Stop signal serected. Approaches widened to 25 feet. Bells and wigwags installed. Bells and wigwags signals installed. Bells and wigwag signals installed. Wigwag signals installed in addition to bell. Approaches standardized. Cars kept back from crossing 100 feet both sides. Wigwag signals installed in addition to bell. Approaches standardized. Speed limitation of ten miles an hour retained on south- bound traffic. Approaches standardized. Enbankment reduced; siow fences removed. Approaches standardized. Enbankment reduced; siow fences removed. Avarace warning signs installed on each side of high- way. Tree cut down.	Lightning flash signals installed.
OCOCOCORNAM MANAMARARARARARARARARARARARARARARARARARA	
Highwo Winch Winch Essaw Kings Essaw Wellau Wellau Willson Wellau Winch Highwonta Winch Worta Winch Worta Winch Worta Winch Wi	Pelton crossing tower, Walker Rd., 1st crossing west of M.C.R.
42940 429575 42975 42975 42906 431104 431108 431138 431138 431139 431148 43139 43144 43144 43341	43471
27608 3 26782 151 26782 151 26782 146 26782 146 26782 146 26727 257 26727 254 26842 112 26842 112 26842 112 26842 113 26842 117 26842 11	35902

No. 12. SLATEMENT showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31, 1929—(Continued)

Nature of Protection	Trees on city property trinnincd. Diversion of highway and construction of overhead bridge. Trees and brush removed; advance warning signs	installed on highway. Telephone poles removed. Earth embankments removed. Cars kept back on passing track 300 feet west of street	Hedge shortened to provide improved view. Automatic gate (Farnsworth) installed. Brush and trees removed. Movements to be protected over crossing by a member of their const	Speed limitation of six miles an hour retained. Highway crossing sign installed. Additional whistle post installed.	Trees removed. Trees, brush and weeds cut down. Switching movements to be protected over crossing. Speed limitation of ten miles an hour retained. Gates installed. Watchman from 7.00 a.m., and speed limi-	tation of 10 m. a.n. other hour. Brush removed to improve view. Trees cut and trimmed to improve view. Trees trimmed to improve view. Speed limitation of ten miles an hour maintained. Wigwag signals and electric bell installed. Farnsworth Automatic gate installed. Brush cut down, approaches graded; whistle post in-	stalled. Sidewalk raised to same grade at highway approaches; collvert installed in connection therewith, fill on sidewalk to be made of enders. Wigwag signal installed in addition to bell. Two lightning flash signals installed.
Railway	G.P.R.	CON R	C.P.R. C.N.R. C.N.R. T. H. & B	CONR	OECONER PERE NEER NEER NEER	CPR CPR CNR MCR MHCR CPR CNR	C.N.R. C.N.R. M.C.R.
Location of Crossing	Guelph Jct., Ont., Division St. crossing		Weyburn, Sask., 1st crossing south of station. Bromptonville, P.Q., crossing. Laurier, Man., crossing Mile 146 Gladstone Subd. Hamilton, Ont., Burlington St. crossing		Bothwell, Ont., Florence Road crossing. Patricia Bay Subd., B.C., crossing Mileage 13-59 Colborne station, Ont., Victoria St. crossing. Valley Junction station, P.Q., Church St. crossing. Thorold, Ont., Ormond St. crossing. Windsor, Ont., Dougal Avenue crossing. Simcoe, Ont., Norfolk St., North crossing.	Oxford station, Ont., crossing 2 miles south of Caledon station, Ont., 2nd crossing south of Cheltenham, crossing 1, miles west of, Austin s. Lachine, P. Q., 2nd crossing west of. Melbourne, Ont., No. 2 Provincial highway crossing St. Anns station, Ont., crossing 0.63 miles west of Cowansyille, P. Q., South St. crossing.	Emerson, Manitoba, crossing Baden, Ont., Schneider St. crossing Attercliffe, Ont., McLaughlin Rd Fargo, Ont., Centre Line Rd, crossing, 2·80 miles east.
Order No.					43216 43216 43305	43345 43345 434572 43453 43524	43535 43562 43578 43579
File No.	26711-317 26842-70 27811-49	26727.249 27467.79 27467.85	26807 - 73 34325 26744 - 58 27802 - 18	26711-300 22334-17 30213-12	26727.239 30213.13 15156 31646.19 2218.1 36327.1 9437.85	9437 337 26727 260 26727 264 27156 136 27862 21 27156 113 30213 16	26744.50 9437.1331 26842.129 26842.123

	1112 00141			,
Two lightning flash signals installed. Wigwag signal installed. Additional whistele posts installed. Additional whistele posts installed.	trees cut down. Crossing and sidewalk planking renewed. Crossing and sidewalk planking renewed. Electric lights installed by Municipality. Brush cut down; approaches brought up to standard. Trees in north-east angle removed. Crossing sign lowered to meet new standard require.	ments. Bell and wigwag signal installed. Two lightning flash signals installed. Bushes cut down. To be protected by flagman when cars are placed on Lightning flash signals installed. Bell and wigwag installed. Bell and wigwag installed. Lightning flash signals installed. Lightning flash signals installed.	<u></u>	2 3-Aspect wigwag signals; automatic bell; stop signs erected. 3 3-Aspect wigwag signals; 3 automatic bells; 3 stop signs. I 3-Aspect wigwag signal; automatic bell; stop signs erected.
MAKAMAMAMAMAMAMAMAMAMAMAMAMAMAMAMAMAMAM	CCNER CCNER CCNER CPR	OCCONN COPR COPR COPR COPR COPR COR	С.N.К. Т. Н. & В Т. Н. & В	
43580 Welland, Ont., Lincoln Rd. crossing, 1-73 miles east, 43585 4586 Tilluury, Ont., Fitth Concession Rd., 2-52 miles west, 43586 4586 Tilluury, Ont., Clemens Haugh Rd. crossing. 45886 Tilluury, Ont., Trudell Side Rd. crossing. 45889 Petton, Ont., Concession Rd., 88 mile east of, 58 miles east of, 58 miles east of, 58 miles east of, 58 mile east of, 58 miles east of,	Georgetown, Ont., Main St. crossing. Acton, Ont., Willow St. crossing. Samia, Ont., Christina St. crossing. Erwood subd., Man. crossing at Mile 2.8. Dunfernline station, Sask., 1st crossing east of Letellier Subd., Man., crossing mile 31.6.	:	43899 Hamilton, Ont., crossing Primrose Ave 43901 Hamilton, Ont., crossing Cumberland Ave 43902 Hamilton, Ont., crossing King St	Hamilton, Ont., Maple Ave.
28842-19 28842-69 28842-13 288	26711.331 26711.332 26765.79 26744.61 26807.74 26744.60	9437 - 559 9437 - 735 27401 - 34 27365 - 22 9437 - 630 9437 - 1237 9437 - 130 9437 - 130	36304 28230.4 27802.15	22032.1 30873

No. 12.—Statement showing highway crossings at which protection provided, and the nature of protection, during period of twelve months ending December 31, 1929—(Concluded)

File No.	Order No.	Location of Crossing	Railway	Nature of Protection
27066 . 11 18946 9437 . 594 9437 . 594 9437 . 597 9437 . 597 9437 . 174 3660 9437 . 570 9437 . 570 9437 . 570 9437 . 174 9437 . 174 9437 . 173 26711 . 334 26711 . 334 26711 . 338 26711 . 338	43910 43921 43923 43933 43946 43946 43946 43948 43948 43948 44111 44111 44111 44111 43888 43898 43898 43823 43828	Hamilton, Ont., crossing Cannon St. Hamilton, Ont. Barton St. St. Thomas, Ont., Stanley St. crossing. St. Thomas, Ont., Church St. crossing. St. Thomas, Ont., Metcaffe St. crossing. St. Thomas, Ont., Metcaffe St. crossing. St. Thomas, Ont., Gueen St. crossing. St. Thomas, Ont., Recaffe St. crossing. Kitchener, Ont., Queen St. crossing. Township of Sandwich West, Ont., Dougal Ave. Nales, Ont., crossing innucediately west of station. White Station, Out., crossing 4th Concession, Yarmouth. Salkatoon, Salk., 24th St. crossing. Township of Puslinch and Eramosa, Ninth Line, Ont. Township of Puslinch and Eramosa, Ninth Line, Ont. Township of Puslinch and Eramosa, Ninth Line, Ont. Township of Puslinch and Eramosa, Ninth Line, Ont. Township of Chinguacousy & Norval, Town Line. Township of Chornto and Chinguacousy, Ont., Town Line. Township of Toronto and Chinguacousy, Ont., Town Line. Township of Toronto, Ont., Crossing Stop 38, M. 12-95. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Dixie St. crossing Mileage 46-43. Township of Toronto, Ont., Born St. & Kipling Ave. Hamilton, Ont., recossing Junsmore Road Kentville, Ont., Assensing Just west of Yard Limits. Simcec, Ont., crossing Just west of Yard Limits. Simcec, Ont., crossing Indeed, Townto, North, Golf St. North Bay, Ont., Golf St.	OCCOOCCOCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	2 3-Aspect wigwag signals; automatic bell; stop signs rerected. 2 lightning flash signals installed. 3 lightning flash signals installed. 3 lightning flash signals installed. 4 lightning flash signals installed. 5 lightning flash signals installed. 6 lightning flash signals installed. 7 lightning flash signal installed. 8 lightning flash signal installed. 8 lightning flash signal installed. 9 lightning flash signal installed. 1 lightning flash signal installed. 1 lightning flash signal installed. 1 lightning flash signal installed. 1 lightning flash signal installed. 1 lights cut down. 1 lights cut down. 1 lights cut down. 1 lights cut down. 1 lights cut down. 1 light signal installed. 1 lightning flash installed. 1 lightning flash installed. 1 lightning flash installed. 1 lightning flash installed. 1 lightning flash installed. 1 lightning flash installed. 1 lightning flash watchman, May 1st to Oct. 31st.

No. 13.—Statement showing the number of highway crossings at which protection has been ordered, and the nature of protection, set out by provinces, for twelve months ending December 31, 1929.

	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Total
Removal of view obstructions (trees, buildings, etc.). Speed limitation maintained. Board fence replaced by wire fence. Switching movements to be flagged. Day and night watchmen installed. Stop signs erected Snow fence removed. Highway crossing sign installed				2	34 12 1 5 1 11 11	4	1 1	6	1	62 18 1 9 2 11 1
Additional whistle posts installed Diversion. Whistle posts installed. Highway closed. Cars to be kept back required distance Whistle post relocated. Automatic bell and wigwag installed. Double automatic bell and wigwag installed.		1	2	1 2	1 1 1 29 18		12	1 1	1 1 2	2 5 6 4 1 4 1 35
Wigwag added to bell already installed. Advance warning signs erected. Lightning flash signals installed. Right of way fence repaired. Culvert installed. Overhead crossing constructed. Subway constructed. Approaches graded.				3 1	24 2 46 1 1	1	1	1	1	27 6 46 2 1 1 1
Crossing and sidewalk planking repaired. Second whistle signal to be given between whistle post and crossing. Part-time watchman. Gates installed. Automatic gates installed. Crossing sign relocated. Electric light installed.			1	2 1	1	1			1	3 1 4 2 2 4 1
Sidewalk raised to grade. Bonded circuit of automatic bell increased. Highway crossing sign lowered. Side fence reconstructed. Passenger train movements flagged Roadway repaired. Crossing to be protected by flagman when cars are placed on trestle					1 1	- 1	1 1		1	1 2 1 1 1 1
Crossing relocated				1		10	16	10	17	302

No. 14.—Statement showing number of persons killed and injured at public highway crossings, separately for the years ending December 31, 1925, 1926, 1927, 1928, and 1929.

Year	Ga	ites	В	ell	Watc	hman	Unpro	tected	То	tal
ı ear	K.	I.	K.	I.	K.	Ι	K.	I.	K.	I.
1925. 1926. 1927. 1928. 1929.	1 7 4 1 4	14 20 13 6 16	9 21 16 22 22	50 65 45 35 66	1 1 6	7 9 21 9 16	65 100 79 144 114	318 276 346 425 397	76 129 99 173 140	389 370 425 475 495
	17	69	90	261	8	62	502	1,762	617	2,154

No. 15.—Statement showing number of highway crossing accidents and the nature of same, for each and every year separately. States, for years ending December 31, 1925, 1926, 1927, 1928 and 1929.

			Gates	sea		_			Bell					Wa	Watchman	lan				Unpr	Jnprotected	pe				H	Total		
119	1925	19261	1 1 1	928 118	07 6Z	tal 19	25 192	36 192	7 192	8 192	1929 Total	41 192	1925 1926	6 192	7 1928	8 1929	1927 1928 1929 Fota	ul 192	5 1926	1927	1928	1929	Total	1925	1926	1927	1928	1929	1929 Total
utomobile	~	10	6.0	62	1	30	32 3	39	34	31	47 18	183	e0	20	90	6		33 168	181	218	255	277	218 255 277 1,099 210 235 263 298	210	235	263	298	339 1,	1,345
lorse and rig	:	7-1	*		:	quel	ಣ	7-	63	L-0	- 62	22		:	:	:		1 24	21	22	200	20	115	200	29	24	35	23	139
edestrian	45	6	12	20	5	35	:	10	4	63	9 2	21	60	63				10 1	12 22	10	11	77		19	39	27	22	28	
	1	20	120	00	12	66	35	51 4	40 4	41 5	59 22	226	1	1 00	9 12	00	1	44 20	224	250	294	311	204 224 250 294 311 1,283 257 303 314 355 390	257	303	314	355	390	1,619

The total of 1,619 accidents covers 617 persons kulled and 2,154 persons injured, as referred to in preceding statement.

No. 16.—Statement showing the number of trespassers killed and injured, by provinces and railways, for year ending December 31, 1929.

	I.	321	- : : : :		· :- : :	136
Fotal		40.00.00		:		142
I	K.	63	: CI CI ==	C7 ==	7	14
British	Ĭ.	=======================================		-		13
British	Ж.	10		7		13
Alberta	I.	10				16
Albe	K.	4 00				13
s- ewan	I.	10				11
Sas- katchewan	К.	9 2				13
toba		4 6				14
Manitoba	K.	12				17
Ontario	I.	17 24 1				44
Ont	K.	8 51 61	6161		67	20
Juebec	I.	18				22
Que	K.	13			: : : =	18
wick	I.	9				00
New Brunswick	К.	H : :			· · · · ·	-
va tia	I.	oc :				00
Nova Scotia	K.	∞ :				00
		Canadian National Canadian Pacific Michigan Central	Kettle Valley Algoma Central & Hudson Bay Grand Revert Northem Alberta Railway	London & Port Stanley. Great Northern. Lake Erie & Northern.	Dere Marquette. Midland Railway of Manitoba. Quebec Railway, Light & Power Co	

No. 17.—Statement showing the number of persons killed and injured on the various railways under the jurisdiction of the Board for the years ending December 31, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, and 1929.

Year		engers	Emp	loyees	Oth	ners	To	otal
1920. 1921. 1922. 1923. 1924. 1925. 1926. 1927.	K. 17 4 5 15 17 6 13 13	379 240 376 558 385 354 329 382	80 91 83 122 107 76 132 101	1,570 1,344 2,084 2,542 2,398 2,008 1,727 2,051	157 148 155 158 194 190 284 239	381 344 396 497 471 593 564 658	K. 254 243 243 295 318 272 429	2,330 1,928 2,856 3,597 3,254 2,955 2,620
1928	18 16 124	301 349 3,653	109 105 1,006	2,171 1,891 19,786	318 305 2,148	721 714 5,339	353 445 426 3,278	3,091 3,193 2,954 28,778

No. 18.—Statement showing the number of persons killed and injured in the more prominent accidents on the various railways, under the jurisdiction of the Board, shown separately for years ending December 31, 1925, 1926, 1927, 1928 and 1929.

-		1925		1926		1927		1928		1929	T	otal
	K.	I.	K.	I.	K.	I.	K.	I.	K.	I.	K.	I.
Derailment. Collision, head-on. Collision, rear-end. Collision in yard. Collision with cars, open	3	71 36 31	10 15 6 4	14 40	12	129 21 49	5	64 46	17	61	55 18	660 339 166 265
collision with cars						. 2				. 16		18
collision at level (dia-		. 5				. 2						7
mond) crossing		. 1		. 1		. 19				. 1		22
tected Highway crossing unpro-	1 11	71	29	94	20	79	29	50	26	98	115	392
tected	65	318	100	276	79	346	144	425	114	397	502	1,762
Trespassing Hand-car, motor, struck	5 97	94 132	8 123	82 113	5 121	93 131	6 127	108 139	5 142	105 136	29 610	482 651
DV train	9	24	20	30	13	37	13	36	5	18	60	145
Struck by switch-stand, etc. Crushed between cars	2	24		25	2	27		25	1	21	5	122
and buildingsFalling off passenger	1	13	1	9	2	10	1	21	1	20	6	73
Falling off top of car Falling between cars	2 3 3	15 41 8	4 1 5	7 35 10	3 4 4	22 52 13	7 5	6 45 13	4 2 6	16 47 5	20 15 18	66 220 49
Jumping off train in motion.	1	98	8	81	6	110	7	136	10	81	32	506
Attempt to board train in motion.	2	88	6	78	4	.64	2	90	1	72	15	392
Run down by engine or car.	21	75	26	63	23	82	22	84	20	62	112	366
Explosion of locomotive boiler.		4		3	1	13	3	5		1	4	24
	241	1,299	366	1,167	318	1,419	389	1,501	370	1,341	1,684	6,727
											1	

No. 19.—Statement showing number of cars inspected, together with defects, for year ending December 31, 1929.

Per cent defective	3 15 5 20 4 54 8 33 8 4 11 2 77	5.21	Per cent defective	7. 78 12. 25 4. 54 4. 54 8. 33	15.29	10.34
Hand- holds	138 138 1 1 1 1 1 1 1 46	250	Miscel- laneous	153 325 1	133	496
Per cent defective	8 .29 9 .68 9 .00 10 .00 4 .16 8 .23 5 .55	9.03	Per cent defective	29.82 21.44 36.36 40.00	33.33	24.58
Uncoupling mechan- ism	257 257 2 2 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	433	Height of couplers	70 70 80 00 60 00 80 44	12	1,179
Per cent defective	0.50	0.89	Per cent defective	7.88 10.32 54.16	11.76	9.44
Couplers and parts	333	43	Sill steps	155 274 13	10	453
Grand total defects	1,965 2,653 22 10 22 22 36 38 36	4,795	Per cent defective	1.78	1.17	1.66
Per cent defective	04.22 23.23 04.22 23.23 04.22 25.24	5.95	Ladders	435		80
Cars	1, 680 2, 303 22 22 22 23 23 33	4,123	Per cent defective	40.76 8.22 8.22 50.00 50.00	9.41	38.81
Cars	27, 478 39, 255 190 710 710 150 245	69,265	Air	801 1,014 10 10 5	8 17	1,861
	Canadian Pacific. Canadian National. Northern Alberta. Rettle Valley. Toronto, Hamilton & Buffalo. Great Northern. Esquimmalt & Nanaino. British Columbia Electric.	White Pass & Yukon		Canadian Pacific. Canadian National. Northern Alberta. Freetle Valley.	Great Northern Fisquimault & Nanaimo British Columbia Electric	White Pass & Yukon

No. 20.—Statement showing defective safety appliances on freight cars as reported by the inspectors for year ending December 31, 1929.

Couplers and Parts		AIR BRAKES	
Coupler bod y broken. Knuckle missing. Knickle pin broken Knuckle pin missing Lock block broken Lock block bent. Lock block inoperative Lock block missing.	2 8 5 15 4 5 2	Reservoir defective. Cylinder defective. Cylinder loose. Cylinder and triple valve not cleaned within twelve months. Cylinder and triple valve not stencilled with date of cleaning. Cut-out cock defective. Release rod broken.	520 4 31 23
Uncoupling Mechanism Uncoupling lever broken. Uncoupling lever wrong. Uncoupling lever bent.	17 74	Release rod missing. Angle cock defective. Angle cock missing. Train pipe broken. Train pipe boose. Train pipe bracket missing. Crossover pipe defective.	43 33 6 6 74 5
Uncoupling lever incorrectly applied. Uncoupling lever missing. Uncoupling chain broken. Uncoupling chain too short. Uncoupling chain kinked. Uncoupling chain missing.	93 48 10 148 2 8 20	Hose detective. Hose missing. Hose gasket missing. Retaining valve defective. Retaining valve missing. Retaining pipe defective. Retaining pipe missing.	1 6 1 68 6 49
End casting broken End casting bent End casting loose End casting incorrectly applied End casting missing Total.	6 1 3 2 433	Brake rigging detective. Brake cut out. Total.	402 567
Handholds	433	Ladder round brokenLadder round bent	7 58
Handhold broken Handhold bent Handhold loose Handhold missing applied.	13 170 59 3 5	Ladder round loose Ladder loose Total Sill Steps	13 2 80
Handhold missing Total HEIGHT OF COUPLERS	250	Sill step broken. Sill step bent. Sill step loose. Sill step incorrectly applied. Sill step missing.	2 425 21 4 1
Coupler too high. Coupler too low. Carrier iron loose. 1,	1 7 171	Total Miscellaneous total	453
Total	179	Grand Total4	, 795

No. 21A.—Statement of defects on freight cars shown separately for years ending December 31, 1925, 1926, 1927, 1928 and 1929.

	1925	1926	1927	1928	1929	Total
Couplers and parts	76 698 312 2,381 188 568 29 935	86 655 348 2,334 178 779 37 670 5,087	95 532 251 1,783 136 653 939 577	46 440 233 1,515 92 525 1,032 430 4,313	43 433 250 1,861 80 453 1,179 496	346 2,758 1,394 9,874 674 2,978 3,216 3,108 24,348

No. 21B.—Statement of cars inspected and defective, shown separately for years ending December 31, 1925, 1926, 1927, 1928 and 1929.

	1925	1926	1927	1928	1929	Total
Cars inspected	120,705	104,921	90,561	75,989	69,265	461,441
Cars defective	4,730	4,641	4,547	3,822	4,123	21,683
Percentage defective	3.91	4.42	5.02	5.02	5.95	4.73

No. 22.—Statement showing number of locomotives inspected, and number of defects, on the various railways under the Board's jurisdiction, for the year ending December 31, 1929.

	C.N.R.	C.P.R.	E. & N.	G.N.R.	E.T.R.	N.A.R.	A.E.R.	Q.M.	N.Y.C.	A.C.R.	K.V.R.	M.C.R.	Q.C.R	C.R.
1. Air compressors														
	Н	-												:
	9	.10												
6. Boiler shell						:	:							
6. Cabs or cab windows.	10	40				-								
9. Cab aprons or decks	7	?			:	:		:	:					
10. Cab cards	3	:						:	:	:	:		:	
12. Crown bolts.	7.4	4	:	:	:								:	: : : : : : : : : : : : : : : : : : : :
13. Domes or dome caps.	-		:	:		:	:	:	:					:
	-	_			:	:	:	:	:	:				:
	53	101					:	:	:	:	:			
17. Frames, tail-pieces, or braces loca-		_	:	:						:	:	:		
motive.		,-								:	:	:		:
	-	1			:		:	:	:	:	:	:		
19. Crauges, or gauge nttings, steam	23	00	:							:	:	:	:	
	· «	13.	:	:	: '	:	:						:	:
I		2	:	:	⊣	:	:	:	:	:		60		
23. Lateral motion.	67 6		:	:	:	:	:	:						
	v -		:	:	:	:	:							•
25. Mud rings. 26. Packing mits		-							:	:	:			
27. Pilot or pilot beams.	7 9		:	:	:	:	:							:
	· :	23			:	:	:	:	· : :	:	:			
29. Kods, main or side, crank pins, or				:	:		:	:	:	:		:		
Springs, or spring rigging.	-			:	:	:	:	:	:					t :
	100	H		:	:	:	: : : : : : : : : : : : : : : : : : : :	:						
32. Staybolts	4							:	:	:	:			
34. Steam pipes		: 7	:	:	:	• :					:	:		
35. Steps.	15	- 9		:	:	:		:						:
36. Tanks or tank valves	10	23						:	:	:		7		
											7 1.			

No. 22.—Statement showing number of locomotives inspected, and number of defects, on the various railways under the Board's jurisdiction, for the year ending December 31, 1929—(Concluded)

1		4 : :	tal	202 202 202 202 202 202 202 202 202 202
& C.H.			Total	
Q.C.R.		180	Q.C.R.	
M.C.R	9	94	N.C.B.	
K.V.R.	1 4	70	N.B.	
A.C.R.		105	M.C.	
N.Y.C.		21	A.Q.	
O.M.		26	Me. C.R.	
A.E.R.		25	V.H.	
N.A.R.	0 0	101	Tem.	
E.T.R.	1 0	141	W.P.	
N. G.N.R.		53	T.H.	
E. & N.	. co ca		Wabash	
C.P.R.	21 2 39	4,977	P.M.R.	
C.N.R.	1 1 4 4 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	6,597	D.A.R.	
	37. Tell-tale holes 38. Throttle or throttle rigging 39. Trucks, engine or trailing 40. Washout plugs 41. Water bar or combination flues 42. Water glass, fittings or shield 43. Wheels 44. Miscellaneous signal appliance, badge plates, brake (hand) 45. Fire protective appliances	Locomotives inspected Locomotives defective. Percent inspected, found defective		1. Air compressors 2. Arch tubes 3. Ashpans or mechanism 4. Blow-off cocks 5. Boiler checks 6. Boiler shell 7. Brake equipment 8. Cabs or cab windows 9. Cab aprons or decks 11. Coupling or uncoupling devices 12. Crown boits 13. Domes or dome caps.

6/46	NO-100000-00-00	H7004H8600H8H70898	19 155 443	12,533
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	<u> </u>	00	8 81	37 24
				53
				26
				32
				777
14. Draft gear. 15. Draw gear. 16. Fire-box sheets. 17. Frames, tall-pieces, or braces, loco-	18. Gauges, or gauge fittings, air. 19. Gauges, or gauge fittings, steam. 20. Gauge cocks. 21. Hand holds. 22. Inspection or test not made as required. 23. Lateral motion. 24. Lights, cab or classification. 25. Muc rings. 26. Packing nuts. 27. Pilot or pilot beams. 28. Plugs or studs. 29. Rods, main or side, crank pins, or	20. Springs, or spring rigging. 31. Squirt hose. 32. Staybolts. 33. Staybolts broken. 34. Steam pipes. 35. Stops. 37. Tall-tale holes. 38. Throttle or throttle rigging. 39. Trucks, engine or trailing. 40. Washout plugs. 41. Water glass, fittings or shield. 42. Water glass, fittings or shield. 44. Miscellaneous signal appliance, badge.	plates, brake (hand). 45. Fire protective appliances.	Locomotives inspected. Locomotives defective. Percent inspected, found defective

APPENDIX D

REPORT OF THE CHIEF FIRE INSPECTOR OF THE BOARD, CLYDE LEAVITT, FOR THE YEAR ENDING DECEMBER 31, 1929

The fire season of 1929 was the worst in forty years in the Prairie provinces, and was exceptionally serious in southern British Columbia, western Ontario and Nova Scotia. In other parts of Eastern Canada, while periods of high fire-hazard existed in certain regions, conditions were not so extreme, and forest services, with improved personnel and equipment, were able to hold the occurrence and spread of forest fires within limits highly creditable to them.

The long periods of extreme drought and high wind in the West are responsible for a less favourable showing in 1929 than for some years previous, in connection with fires attributed to the railways. However, bearing these conditions in mind, the showing made by the railways is distinctly creditable. Fires attributable to railway agencies were responsible for only a very small percentage of the area burned and damage caused by fires in forested territory throughout the Dominion.

ORGANIZATION

During the season of 1929, the field organization of the Fire Inspection Department comprised 180 men assigned on a part time or full time basis for this service by the Dominion and provincial forest services co-operating with the Board under arrangements inaugurated in 1912. These men hold appointments as local officers of the Board's Fire Inspection Department and maintain constant and close contact with local railway officials and employees, and co-operate closely with them in the prevention and control of fires occurring along railway lines. These officers were distributed as follows:—

Nova Scotia Forest Service.	9
New Brunswick Forest Service.	
Quebec Forest Protection Service.	
Ontario Forestry Branch.	
Saskatchewan, Fire Commissioner's Office	
Alberta, Chief Fire and Game Guardians Office.	
	6
Dominion Forest Service.	
British Columbia Forest Branch.	57

RAILWAY FIRE PATROLS

Of 40,414 miles of railway in Canada subject to the Board's jurisdiction 13.852 miles, or 34·27 per cent, is classified as running through forested territory. Of this, special patrol by selected members of section crews is prescribed on 6,065 miles; special patrol by special men on velocipedes on 275 miles, and special patrol by special men on power speeders on 1,513 miles; foot patrol on 91 miles; motor boat patrol on 34 miles. Thus, some form of special patrol by railway forces was required on a total of 7,978 miles. This represents special attention to fire patrol by 920 selected members of section crews, 25 velocipede patrolmen, 63 power speeder patrolmen, 2 foot patrolmen and 2 motor boat patrolmen—a total of 1,012 special fire patrolmen on all lines. On 5.873 miles of forested territory where the fire hazard is not extreme, special fire patrol is not prescribed, the detection, reporting and extinguishing of fires being left to section forces and other regular employees, as a part of their regular duties.

FIRE STATISTICS

Railways subject to the Board's jurisdiction throughout Canada are reported as having caused 820 fires in territory classified as forested. These fires burned over a total of 29,667 acres with forest and other property loss valued at \$40,958. Of this area, 5,634 acres was young forest growth, 1,686 acres merchantable timber and 765 acres slashing or old burn not restocking, while 21,582 acres were non-forest lands. The area of forest land burned over was thus 8,085 acres or 27.25 per cent of the total. The valuation of young forest and standing timber destroyed is \$23,906 or 58.37 per cent of the total damage; forest products consisting of poles, ties and cordwood to the value of \$9,610 or 23.46 per cent, and improved property in some form, valued at \$7,442 or 18.17 per cent of the total, were also destroyed.

Of the 820 fires attributed to the railways, 37 per cent were incipient, 51 per cent covered between one-fourth acre and ten acres each, while 12 per cent

attained a size over 10 acres each.

Detail statistics by railways are shown in the accompanying tabulation; another table follows, showing the distribution of fires attributed to railways, as between locomotives, employees and construction. The former includes fires attributed to stacks or ash pans of locomotives or other portable boilers. The employee fires are mostly cases where fires escaped from section forces burning right of way or old ties. Fires on lines under construction are chiefly cases of fires escaping from clearing rights of way, blasting operations and carelessness of construction employees and are responsible for the greater portion of the area burned.

It will be noted that fires attributed to locomotives comprise 71.95 per cent of the total number of railway fires, and that these fires burned 28.66 per cent of the total area, causing 57.95 per cent of the estimated total loss in money value of forest and other property destroyed by railway fires. Employee fires account for 26.59 per cent of the number, 11.58 per cent of the area, and 8.79 per cent of the money value of damage done. Fires on lines under construction in British Columbia and Saskatchewan account for 1.46 per cent of the number, 59.76 per cent of the area, and 33.26 per cent of the money value of damage done by fires attributed to railways.

Railway fires occurring east of Fort William, Port Arthur and Armstrong represent 31.34 per cent of the number, 12.24 per cent of the area and 11.18

per cent of the damage attributed to the railways.

Railway fires occurring in Saskatchewan and British Columbia represent 44.51 per cent of the number, 81.47 per cent of the area and 81.07 per cent of the damage attributed to railways throughout the Dominion.

In addition to the foregoing, there were reported 239 fires burning in ties

in the track, not spreading or causing damage other than to track ties.

One hundred and eighty fires, originating within 300 feet of track in forested territory, are attributed to known causes other than the railway. Of these fires, 107 are charged to campers and travellers, 42 to settlers, and 31 to other known causes; 61 of these fires were incipient, 93 burned from one-fourth acre to 10 acres each, and 26 burned more than 10 acres each. These fires burned over 1,053 acres of young forest growth, 92 acres of merchantable timber, 229 acres of slash or old burn not restocking, and 1,376 acres of non-forest land, with total damage to forest and other property estimated at \$10,037.

Fires of unknown origin originating within 300 feet of track total 59, burning over 842 acres, with forest and other property loss valued at \$693. Of this,

the forest valuation accounts for \$168.

Thus, all fires reported as having originated within 300 feet of track in forested territory, due to all causes, total 1,059, burning an area of 33,259 acres of forest and non-forest land, with total estimated damage of \$51,688.

FIRE-GUARD REQUIREMENTS

In accordance with the fire-guard requirements, 5,916 miles of fire-guards were constructed or maintained in uncultivated lands (fenced grazing and wild

lands), in non-forested sections of the Prairie provinces.

In addition, a large mileage of fire-guards through cultivated lands in the Prarie provinces was constructed or maintained by land owners or occupants, on their initiative, payment being made by the railways, in cash or old ties, in accordance with the Board's requirements.

FIRE PROTECTIVE APPLIANCES ON LOCOMOTIVES

During the fire season of 1929, officers of the Fire Inspection Department made 4,435 inspections of fire protective appliances on 2,158 locomotives operating through forested territory. The fire protective appliances on 122 locomotives or 2.75 per cent were found to be in a defective condition.

Of the 2,158 locomotives inspected, 1,031 were inspected once, 528 twice,

270 three times, 181 four times, 105 five times, 43 six or more times.

Inspections of Locomotive Fire-Protective Appliances, 1929, by Fire Inspection Department, B.R.C.

Railway	Province	Number inspected	Number defective	Per cent
C.P.R. (including New Brunswick Coal & Railway Company) C.P.R. (including Quebec Central Railway) C.P.R. C.P.R. C.P.R. (including Esquimalt and Nanaimo Railway)	New Brunswick Quebec. Ontario Prairie Provinces British Columbia	90 294 881 203 265	25	1·11 12·31 1·89
C.N.R. C.N.R. C.N.R. C.N.R. C.N.R. C.N.R.	Totals Nova Scotia New Brunswick Quebec Ontario Prairie Provinces British Columbia	79 186 308 1,001 734 68	31 3 5 16 51 2	1·79 3·80 2·69 1·60 6·95 2·94
Cumberland Ry. & Coal Co	Totals	2,376	77	3.24
Dominion Atlantic. Maritime Coal, Ry. & Power Co Maine Central. Temiscouata. Atlantic, Quebec & Western and Quebec	Nova Scotia. Nova Scotia. New Brunswick Quebec.	22 3 2 7	2	4·55
Nipissing Central. Quebec, Montreal & Southern. Algoma Central & Hudson Bay. Algoma Eastern. Blue Diamond Coal Co.	Quebec Quebec and Ontario. Quebec Ontario. Ontario. Alberta.	14 6 12 64 12	2	50.00
Northern Alberta Railways. Great Northern Kettle Valley. White Pass & Yukon Route.	Alberta British Columbia British Columbia British Columbia and Yukon	95 8 44 29	7	7·36 6·89
	Totals	326	14	4 · 29
Totals All Railways		4,435	122	2.75

Summary of reports of fires in forest sections originating within 300 feet of track along railway lines subject to the jurisdiction of the Board, season of 1929; showing by provinces the number of fires; areas burned and value of property destroyed, by classified causes.

Province	R	Fires ailway		K	nown other Raily	than		Unkn Caus	
	No.	Acres	Value	No.	Acres	Value	No.	Acres	Value
Nova Scotia New Brunswick Quebec. Ontario. Manitoba. Saskatchewan. Alberta. British Columbia. Yukon Territory. Totals.	123 342	282 58 976 1,242 15,305 508	\$ 2,468 284 50 3,729 200 10,536 1,022 22,669 40,958	6 7 46 22 13 34 48	26 722 79	\$ 133 215 10 27 2,215 28 115 7,294	28 28 3 1	5 3 690 93 	\$ 10 161 5 517

SCYMARY of Reports on Fires in Forest Sections Originating within 300 Feet of Track Along Railway Lines Subject to the Jurisdiction of the Board of Railway Commissioners for Canada, Season of 1929.

	Totals	242 282 66 66 139 32 301 421 98	820	5,634 1,686 765	29,667	13,095 10,811 9,610 7,442	\$ 40,958
1	Miscellaneous	2-	ಣ	6 6	141	\$ 100	\$ 100
	Great	108 108 108 108	33	36 30 25 156	247	\$ 184	\$ 232
	Northern Alberta Railways	9 4 50 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	42	328	360	\$ 40	77
	Algoma Central and Hudson Bay	12 2 1	ಣ	20	20		
	Canadian National (Western Region)	289 289 290 190 132 182 33	232	1,186 742 675 16,101	18,704	\$ 2,383 9,279 1,653 3,525	\$ 16,838
	Canadian National (Central Region)	71 4 5 1 5 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5	91	287 10 26 183	206	\$ 446 76 360 555	\$ 1,437
	Canadian Canadian Canadian Canadian Pacific National National National (Western Atlantic (Central (Western Lines) Region) Region) Region (c)	000 000 000 000	68	541 57 1,939	2,537	\$ 1,240	\$ 2,495
	Canadian Pacific (Western Lines)	104 95 119 122 222 114 117 117 23	256	3,378 838 15 2,492	6,723	\$ 8,500 1,106 7,486 2,140	\$ 19,232
	Canadian Pacific (Eastern Lines)	23 44 6 1 1 2 2 3 2 3 2 3 2 3 2 3 3 3 3 3 3 3 3	92	174 4 24 227	429	\$ 302 10 111 124	\$ 547
		Fires of Rallway Origin Number by Causes— Locomotive, Class A fires. Locomotive, Class B fires. Employees, Class B fires. Employees, Class G fires. Employees, Class G fires. Total, Class B fires Total, Class A fires. Total, Class B fires Total, Class B fires	Total all railway fires.	Areas burned (acres)— Young forest growth Merchantable timber. Slashing or old burn. Other classes of land.	Total	Value of property destroyed— Young forest growth Young timber Founding timber Forest products. Other property	Total

	53	24.3	13 13 15 15 15 15 15 15 15 15 15 15 15 15 15	61 93 98	180	1,053	92 229 1,376	2,750	2,397	10,037		322	59	***************************************
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			2-20		10	125	18	143	\$ 130 90 128	\$ 348		. a e	6	
_	9 -			133	32		112 20	44	\$ 27 450 1,500	\$ 1,977		00 67	10	
	12.2		. 4	119	. 22	191	413	235	\$ 30	31		61 00 61	12	
Known Causes Other than Railway	Number by Causes—Campers and travellers, Class A. Campers and travellers, Class B. Campers and travellers, Class C.	Settlers, Class B. Settlers, Class B. Settlers, Class C.	Other known causes, Class B. Other known causes, Class B. Other known causes, Class B.	Total, Class A. Total, Class B. Total, Class C.	Total of other known causes	Areas burned (acres)— Young forest growth Merchantable timber	Stashing or old burn. Other classes of land.	Total	Value of property destroyed— Young forest growth. Standing timber Forest products. Other property	Total	FIRES OF UNKNOWN ORIGIN	Number— Class A. Class B. Class B.	10tal.	

SUMMARY of Reports on Fires in Forest Sections Originating within 300 Feet of Track Along Railway Lines Subject to the Jurisdiction of the Board of Railway Commissioners for Canada, Season of 1929.—Concluded

Totals		19	682	842	90	150	693
Miscellaneous			16	16	* * * * * * * * * * * * * * * * * * *		* * * * * * * * * * * * * * * * * * * *
Northern Great Alberta Northern Railways		*			0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		
Northern Great Alberta Norther Railways		-	300	30	60	17	\$ 17
Algoma Central and Hudson Bay		:			•		•
Canadian National (Western Region)		00	97	106	-1	200	\$ 207
Canadian National (Central Region)		S	pri Es	10			60
Canadian National (Atlantic Region)		70	60	00	\$ 10		\$ 10
Pacific (Western Lines)				1	60	3000	\$ 300
Canadian Canadian Canadian Canadian Pacific Pacific National National National Lines) Region) Region) Region) (c)		4	661	671	~-}	150	159
	FIRES OF UNENOWN ORIGIN—Concluded	Areas burned (acres)— Young forest growth.	Alectriantable timoer Statehing or old burn. Other classes of land.	Total	Value of property destroyed— Young forest growth	Sunding University Other property. Other property.	Total

(a) Includes Fredericton and Grand Lake Coal and Railway; New Brunswick Coal and Railway; Dominion Atlantic and Quebec Central Railways.

(b) Includes Esquimatt and Namaimo and Kettle Valley Railways.

(c) Excludes Hudson Bay Railway.

(d) Includes Fludson Bay Railway Eastern; Sydney and Louisburg; Temiscouata and White Pass and Yukon.

Norg.—No fres were reported during 1929 within 300 feet of track in forest sections along the following lines: Atlantic, Quebec and Western and QuebecOriental; Cumberland Railway and Coal Co.; Maine Central (N.B.); Maritime Coal, Railway and Power Co.; Nipissing Central; Quebec Central and Quebec, Montreal and Southern.

Class A fires are those which cover an area less than one-fourth acre, and do no damage; Class B fires are those which cover an area of one-fourth acre to ten acres; Class C fires are those which cover an area over ten acres.

SUMMARY of Fires of Railway Origin in Forest Sections, Classified by Causes, Season of 1929.

ent Acres Per cent age Per cent Acres Per cent Acre																		
Class Total Per cent Acres Per cent Frond Per cent Per cent Acres Per cent Per cent Acres Per cent Per cent Acres Per cent Per cent Section			Nu	mber	Number of Fires		H	orest La	nd Burne	P	Non-	orest	Damage	Damage		Grand	Totals	
B C C Code of Section (1) C Acres (1) Fer cent (2) Acres (1) Fer cent (2) Acres (1) Fer cent (2) Acres (2)			Class		Total	Por cont	Aomog	Demograph	Dam-	_	land b	urned	Forest	to Other		ea	Dan	0.80%
282 66 590 71.95 3,272 40.47 10,022 41.92 5,230 24.23 7,655 6,060 8,502 28.66 23,737 136 27 218 26.59 363 4.49 264 1.11 3,072 14.24 1,955 1,382 3,435 11.58 3,601 3 5 12 1.46 4,450 55.04 13,620 56.97 13,280 61.53	¥		В	0	7000	1000000	Salar	r er cent	ම දෙම ස්	rer cent	Acres	Per cent	Products \$	Property	1 .	Per cent	65	Parcant
66 590 71.95 3,272 40.47 10,022 41.92 5,230 24.23 7,655 6,060 8,502 28.66 23,737 27 218 26.59 36.3 4.49 264 1.11 3,072 14.24 1,955 1,382 3,435 11.58 3,601 5 12 1.46 4,450 55.04 13,630 56.97 13,280 61.53 17,730 59.76 13,620 98 820 100.00 8,085 100.00 23,906 100.00 21,582 100.00 9,610 7,442 29,667 100.00 40,958 1		-													- 1			י פון רפון ו
136 27 218 26-59 363 4-49 264 1-11 3.072 14-24 1,955 1,382 3,435 11-58 3,601 421 98 820 100-00 8,085 100-00 23,906 100-00 21,582 100-00 9,610 7,442 23,667 100-00 21,582 100-00 9,610 7,442 29,667 100-00 40,958 1	22	23	282	99	290	71.95	3,272		10,022	41.92	5,230	24.23	7,655	6,060	8,502	28.66	23, 737	57.05
3 5 12 1.46 4,450 55.04 13,620 56.97 13,280 61.53		22	136	27	218	26.59	363	4.49	264	1.11	3,072	14.24	1,955	1.382	3, 435	11.58	3 601	0 0
421 98 820 100·00 8,085 100·00 23,906 100·00 21,582 100·00 9,610 7,442 29,667 100·00 40,958 1		4	က	10	12	1.46	4,450		13,620		13,280	61.53			17, 730		13 690	81.0
	3(=	421	98	820	100.00	8,085	100.00	23,906	1	21,582	100.00	9,610	7,442	29,667		40,958	100.00

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APPENDIX I

RECORD BRANCH

STATEMENT Showing the Applications made to the Board under the Various Sections of the Railway Act, for the Year Ending December 31, 1929.

Totals	28 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9
Dec.	4 1 18 2 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2
Nov.	4 101 1 21 1001 4 44 01 10 10 10 10 10 10 10 10 10 10 10 10
Oct.	1000 1 00 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Sept.	000 014 1 000 111 100 01040100
Aug.	04 -01 174 22 422 111182 488 1889 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
July	481 70 H414 60 H876 H414 7000 881 881 881 881 881 881 881 881 881
June	4 m
May	1010 P 11 80 884 11121181 60 1316444861111
April	2 9 8 7 1 1 1 1 2 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
Mar.	40 4 1 100 24111 1 2100 240 1
Feb.	4 8 24 72 1 1 1 2 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6
Jan.	1 80 30 0 1 1 10 1 2 2 2 2 2 1 1 2 2 2 2 2 2 2
Sections of the Railway Act	Rescinding of Orders. Section 34 Extension of time, Section 150 Anadysmartion Agreements. Section 151 Traffic Agreements, Section 154 Location of Line, Section 154 Location of Line, Section 164 Traffic Agreements, Section 164 Route Map, Section 167 Correction Plans, Section 176 Correction Plans, Section 177 Nars Constructed, Section 175 Dev. of Line, Section 178 Mines and Minerals, Section 178 Stations, Section 188 Stations, Section 188 Stations, Section 188 Stations, Section 188 Appeals to Supreme Court and Gin-C. Branch Lines, Sections 189-192 Appeals to Supreme Court and Gin-C. Branch Lines, Sections 180-187 Removing Ind. Spurs, Sections 288-271 Calle Guars, Section 274 Water pipes, Section 274 Water pipes, Section 274 Water pipes, Section 274 Water pipes, Section 289 Gas Pipes, Section 289 Gas Pipes, Section 289 Gas Pipes, Section 280 Calle Guarsing and Jet., Sections 252-254 Inferlocking Appliances, Sections 255-267 Highway Crossings, Sections 255-267 Highway Crossings, Sections 257-207 Accident Reports, Sections 285-286 Protection at Crossings, Sections 257-207 Accident Reports, Section 367 Telg. & Tel. Lines, Section 367

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Telephone Wire Crossings, Section 372 E. Power Wire Crossings, Section 372 E. Telephone Agreements, Sec. 375 F. Fencing of R. of W., Sec. 374 Entring of R. of W., Sec. 374 Bridges, Section 305.	Tunnels, Subways, Sections 249-251 Tolls and Traffic on Bridges and Tunnels, Sections of Pering of Ry., Sections 276-277 Condition of Ry., Section 283.		First from Loco., Sections 380–330 First from Loco., Sections 280–281–287–387 Proceedings of Arbitrator, Section 226. By-laws re Tolls, Section 333 Equality in Tolls, Sections 314–321 Adustment in Rates. Freight Classification, Section 322	Bills of Lading, Section 348 Red. Rates & Free Transp., Sections 345-346 Disallowance of Tariffs, Section 335 Standard Freight Tariffs, Section 330 Standard Passenger Tariffs, Section 334 Local Passenger Tariffs, Section 334. Special Freight Tariffs, Section 335 Express Tolls, Section 335 Carriage by Express Tolls, Section 335 Carriage by Express Tolls, Section 335	Telephone Tolls, Section 375 Statistics and Returns, Sections 379-384 Claims and Returds Enquiries Requests Complaints Miscellaneous Stations, Freight Sheds, etc., destroyed by fire Collection of Tolls, Sections 355-356	Ry. Grade Crossing Fund, Section 262 Obstruction to traffic, Section 311. Totals.

List of Cases Appealed to the Supreme Court of Canada, from February 1, 1904, to December 31, 1929.

	Subject	Decision
File No.		
	Montreal Terminal Ry. vs. Montreal Street Ry., Pius IX Ave., uo, n question of jurisdiction	Allowed.
	James Bay Ry. vs. G.T.R. undercrossing at a point near Beaverton, Ont.,	Dismissed.
1492	Lot 13, Con. 7, Twp. of Thoratt. James Bay Ry. vs. G.T.R. crossing Belt Line Spur. Question of Law Ottawa Electric Ry. and City of Ottawa vs. Canada Atlantic Ry., re Bank	Dismissed.
383	Ottawa Electric Ry. and City of Ottawa vs. Canada Atlantic Ry., 7e Bank St. Subway, Ottawa. Question of Law	Dismissed.
1621	Don Improvement and tracks of G.I.R. and C.F.R., I oronto. Ques-	
*00	tion of Jurisdiction	Dismissed.
589	jurisdiction. Essex Terminal Ry. and W.E. & L.S.R. Ry. crossing in Twp. of Sandwich,	Dismissed.
C. 1680	Out (hugtion of 1930)	Dismissed.
C. 1309 689	Robinson vs. G.T.R. Two-cent rate. Question of Law	Dismissed. Dismissed.
1497	T. D. Robinson vs. C.N.R. Spur at Winnipeg. Question of jurisdiction Montreal Street Ry., re rates, Mount Royal Ward. Question of jurisdiction	Dismissed.
9527 C. 1419	Ontario Department of Agriculture vs. G.1.A. Te station at Vinetand, Ont.	Dismissed.
C. 3322	Jurisdiction Re Toronto Viaduct Appeal of C.P.R. Co. on Question of Law	Dismissed.
C. 4897	Re fencing and cattleguards, Order 7473, Appeal of C.N.R. Co. upon question of invisdiction.	Allowed.
C. 4492	of jurisdiction. City of Toronto vs. G.T.R. and C.P.R. Cos. re commutation rates. Ques-	Withdrawn.
C. 3378 C. 2545	tion of Law City of Ottawa and County of Carleton re Richmond Road Viaduct. Ques-	Dismissed.
13079	tion of Jurisdiction G.T.R. and C.N.O.R., re spur in Twp. of Carboro, Ont., Question of juris-	
C. 3269	diction. G.T.R. vs. British American Oil Cos., re oil rates. Question of Law.	Dismissed.
1319	G.T.P.R. vs. City of Fort William, Ont., re location. Question of Juris	Dismissed.
11965 15580	N. St. C. & T. Ry. Co. vs. Davy. Question of Jurisdiction	Allowed.
	Sand & Gravel Co. Question of Jurisdiction	Dismissed.
12682 17963	Regina Rates Case. Question of Law	Dismissed.
C. 3269 15530	C.P.R. vs. British American Oil Companies. Question of Jurisdiction G.T.R. & C.P.R. vs. Canadian Oil Companies. Question of Jurisdiction	Dismissed. Dismissed.
$15530 \cdot 1 \\ 20062$	B.C. Elec. Ry., V.V. & E. Ry. vs. City of Vancouver, B.C. Question o	
27095	Jurisdiction. E. B. Chambers and W. E. C. Phair vs. C.P.R. Co. Question of Jurisdiction	Dismissed.
1487 1857 <i>8</i>	C.N.R. is, Wm. A. Taylor. Jurisdiction.	Dismissed.
19435 $14329 \cdot 9$	G.T.R. vs. City of Edmonton. Question of Law	7
23009	Maisonneuve Rv. Jurisdiction	, Allowed.
21428 12021 · 70	City of Hamilton vs. T.H. & B. Ry. Jurisdiction	Dismissed.
$9437 \cdot 153$	Jurisdiction	Dismissed.
C. 3935 16171	City of Edmonton vs. E.D. & B.C. Ry. Co. Question of Law	. Dismissed.
27524 13622	G.T.R. vs. Bourassa of Laprairie, Que. Question of Law and Jurisdiction. G.N.W. Tel. Co., submit for opinion of Court, a question of Law involved i	Withdrawn.
27840	matter of General Order No. 162 Gov't. of Manitoba and J. S. Ashdown Hardware Co., re 15% increase i	Abandoned.
26981	freight rates. Jurisdiction	Abandoned.
	Kirkpatrick. Question of Law	Withdrawn.
	E. & N. Ry. Co. re right of City of Victoria, B.C., to have access over bridge at Victoria Harbour. Jurisdiction.	, Abandoned.
28439	Jurisdiction	. Abandoned.
28950	City of Toronto 28. Toronto Terminal Ry. Co. re pressure pipes under Bay Scott and Yonge Sts., Toronto, Ont. Question of Law	
C. 3378	Applie. of Mr. Wagenast for a stated case in re Brampton commutation rates. Question of Law.	Dismissed.
C. 2987	Ottawa Elec. Ry, against Order of the Board disallowing proposed increase	e
21404 - 6		3-1
	diction in matter of British Columbia Elec. Ry. Co.'s application for increased rates	Abandoned.

List of Cases Appealed to the Supreme Court of Canada, from February 1, 1904, to December 31, 1929—Concluded.

File No.	Subject	Decision
28140		
	Dept. of Lands, Forests and Mines, Prov. of Ontario, for an Order directing C.P.R. Co. to provide and construct an overhead crossing at its expense het ween late 6. **C. Co. **. Co.	
	its expense between lots 6 & 7, Con. 1, Twp. of Eaton, Ont., April 1st	
	(Appeal allowed with cost)	
30381	(Question answered in the pagetime)	Allowed.
90901	C.N. Rys. from Order of the Roard No. 21047 Commissioners and the	Allowed.
31351 · 1	Question of Jurisdiction. Appeal of Luscar Collieries Ltd. on question of invisitation to the state of the s	Dismissed.
01001.1	the Board dated May 23rd 1024 in most of afficient from Order of	
32812 - 1	vs. N. S. McDonald and the C.N. Rys.	Dismissed.
02012-1	and Manitoba, from General Order of the Provinces of Alberta, Saskatchewan	
34285	14th. 1924, re Crows Nest Pass Rates. Appeal of the Canadian National Pailway Communications of the Canadian National Pailway Communications of the Canadian National Pailway Communications of the Board No. 408, dated Oct.	Allowed
01200	Board numbers 39348, 39349 and 30549 in the mark against Orders of the	
0.4000	through Sainta Regalia	A11
24822		Allowed (partly)
	No. 40120, dated January 3rd, 1928, requiring the Toronto Transportation Commission to contribute towards the cost of reconstructing the	
	in the City of Toronto, Ont	
4000.3	Appeal by the Montreal Tramways Company against Order No. 42501 as	Dismissed.
40048	diction diction diet 10. 42775, dated June 7th, 1929. Question of juris-	D:
16645.73		Dismissed.
	age of traffic, portion of its line from Mile 361.2 of William of the carri-	
		Dismissed.
	SUMMARY	
	Dismissed. 34 Allowed. 31 Abgrdoned 11	
	Abandoned. 5	

SUMMARI	
Dismissed	34
Abandoned	11
Withdrawn	3
Total	53

List of Appeals to the Governor in Council, February 1, 1904, to December 31, 1929.

File No.	Subject	Decision
2030 17716 18787 3452-30 12912 17040 C. 3322 12021-70 16177 19024 17716-10 22681-25 21418 21660 26169	Bay of Quinte Ry. Crossing C.P.R. at Tweed, Ont. James Bay Ry. vs. G.T.R. Crossing near Beaverton, Ont. G.T.R. vs. City of Chatham, Ont. Street Crossings. Maniwaki Branch, C.P.R. train service from Ottawa. Re Tariffs of certain Yukon Railways. C.P.RLongue Pointe Spur through Town of Maisonneuve, Que. South Hazelton Townsite vs. G.T.P.R. Co. J. Y. Rochester, re Cameron Bay, rs. G.T.P.R. Co. Lambton to Weston Spur and C.P.R. Toronto Viaduet Case. City of Toronto re North Toronto Grade Separation. C.P.R. Co. vs. Mountain Lumber Manufacturers' Ass'n. re lumber rates. Charles Miller of Toronto vs. G.T.P.R. Co. re station at Prince George, B.C. C.P.R. Co. vs. Town of Maisonneuve, Que. Highway Crossings. City of Montreal, Que. vs. C.N.R. Co. siding across Stadacona and Marlboro Streets, Montreal. City of Prince George, B.C. re location of G.T.P.R. station between Oak and Ash Streets. C.N.O.R. Co. rs. Twp. of Loughboro, Ont. C.P.R. and C.N.R. Cos. re interswitching at Eastern Public Cattle Market,	Allowed. Dismissed. Dismissed. Referred back. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed. Dismissed.
13756—81	, ,	Avandoned.

List of Appeals to the Governor in Council, February 1, 1904, to December 31, 1929—Concluded.

File No.	Subject	Decision
17040 27693	City of Hamilton vs. G.T.R. Co. re passenger service on Northern & N.W. Bch. between Hamilton and Burlington Beach and Town of Burlington,	Referred back. Abandoned.
28439.3	Winnipeg Board of Trade re 15% increase in freight rates. Town of Saint Lambert, Que, re increase in rates on the M. & S.C. Ry	Dismissed. Dismissed. Referred back.
28230 29040 · 2	National Dairy Council of Canada on behalf of Ice Cream Manufacturers re	Referred back.
C. 955 30434	Proprietors' League of Montreal, re increase in Bell Telephone rates. City of Windsor, Ont., for an Order rescinding Order of the Board No. 30028, authorizing C.P.R. Co. to construct tracks of proposed freight	Dismissed.
29996	shed at grade across unopened portion of Caron Ave., Windsor, Ont City of Toronto, Ont. against General Order No. 308, authorizing a general	Referred back.
	increase in freight rates. City of Toronto, Ont. against Judgment of the Board dated April 18th, 1921, providing for increase in Bell Telephone rates.	Referred back.
23092·2 30380	C.N.Q. Ry. Co. against Order of the Board No. 31312, re crossing, Pointe aux Trembles Ry. at Pointe aux Trembles, Que	Referred back.
30380 · 13	(General Order No. 327) with respect to express rates	Dismissed.
17112-27	an Order for the cancellation of the 20% increase in cream rates which was allowed temporarily to express companies in their application of July, 1920. Applic of the Dominion Millers Assn. from the Judgment of the Board	Referred back.
29040 · 2	dated March 6th, 1922, in matter of flour arbitraries over wheat for export. Appeal of the National Dairy Council of Canada on behalf of Canadian Ice	
	Cream Manufacturers from Board's Order No. 28883, re express classification of ice cream	Dismissed.
30686-2	Appeal of the Province of Alberta and British Columbia from Order of the Board dated June 30th, 1922 (General Order No. 366) in the matter of railway tolls.	Referred back.
30380 · 13	National Dairy Council of Canada against ruling of the Board of Nov. 21st,	Allowed.
3025 · 16	N. St. C. & T. Ry. Co. against Order of the Board No. 33190, dated Dec. 1st, 1922, re relocation of its line on Oak and Merritt Streets, Merritton, Ont.	Withdrawn.
32812-1	Governments of Alberta, Saskatchewan and Manitoba, from Order of the Board No. 400, dated Oct. 14th, 1924, re Crows Nest Pass Rates	
9754-22	Canadian Shippers' Traffic Bureau against Order of the Board No. 36646, dated July 27th, 1925, in matter of a claim against the G.T.R. Co. for	
30686· 2	refund of alleged freight overcharges. P.C. 711	Dismissed.
	and Saskatchewan re rates on grain and flour moving to the Pacific Coast for export	Referred back.

$\operatorname{SUMMARY}$

Dismissed	20
Referred back	
Abandoned	4
Withdrawn	22
Allowed	0
Pending	1
Total	41

APPENDIX F

LIST OF GENERAL ORDERS AND CIRCULARS OF THE BOARD FOR THE YEAR ENDING DECEMBER 31, 1929.

GENERAL ORDER No. 467

In the matter of the "Standard Regulations of the Board Affecting Highway Crossings, as amended May 4, 1910"; and the General Orders of the Board numbered 40 and 451, dated respectively May 4, 1909, and September 21, 1927, made herein:

File No. 30245

Tuesday, the 12th day of March, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Asst. Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

Upon the report and recommendation of the Chief Engineer and the Chief Operating Officer of the Board,—

It is Ordered: That the regulations regarding the future construction of highway crossings are and shall be as follows, namely:—

1. With each application the applicant shall send to the Secretary of the Board three sets of plans and profiles of the crossing or crossings in question—

	o III question—
Scale—	
Plan	feet to an inch
	400
Profile of railway—	400
horizontal	
horizontalvertical	400
vertical Profile of highway—	20
horizontal	
horizontalvertical	100
vertical	20

First set for approval by and filing with the Board. Second and third sets to be furnished to the respective parties concerned, with a certified copy of the order approving of the same.

- 2. The plan and profile shall show at least one-half mile of the railway each way and 300 feet of the highway on each side of the crossing.
- 3. The plan shall show all obstructions to the view from any point on the highway within 100 feet of the crossing to any point on the railway within one-half mile of the said crossing.
- 4. The applicant shall give the municipality in which the proposed crossing lies, or the railway company whose line is proposed to be crossed, notice of the application and copies of the plan, and furnish the Board with proof of service; where it is proposed to cross a railway, service must be made on the solicitor of the railway company at the head office.
- 5. The road surface of level or elevated approaches, and of cuts made for approaches, to rural railway crossings over highways shall be 20 feet wide.
- 6. A strong, substantial fence, or railing, four feet six inches high with a good post-cap (four inches by four inches), a middle piece of timber (one and one-half inches by six inches), and a ten-inch board firmly nailed to the bottom

of the posts to prevent snow from blowing off the elevated roadway, shall be constructed on each side of every approach to a rural railway crossing over a highway where the height is five feet or more above the level of the adjacent ground—leaving always a clear road surface of 20 feet in width.

- 7. Unless otherwise authorized by the Board, planking, steel rails, paving of concrete or asphalt, broken stone topped with crushed rock screenings, or a good coarse gravel, shall be used on rural crossings over highways, between the rails and for a width of at least eight inches on the outer sides thereof; and, whether on a right-angled or a skew crossing, the planking, etc., shall be sufficiently long to provide a width of travelled way of at least 16 feet at the actual crossing of the rails.
- 8. In cities, towns, and villages, the width of all kinds of approaches to a railway crossing over a highway (street or avenue), and of the planking, etc., between the rails and on the outer sides thereof, must be regulated by the position of the street and the traffic, or the anticipated traffic, thereon, but shall not be less than 20 feet wide.
- 9. Cuts and Fillings on Highway Crossings.—Whenever a cut on the line of railway exceeds 9 feet, or a filling thereon exceeds 7 feet, at a highway or street crossing, the railway company, before proceeding with the work of construction, shall refer the matter to the Board with a full statement of the facts and circumstances, that the Board may decide as to the advisability of ordering a separation of grades at the said crossing.
- 10. In special cases it may, upon application, be ordered that any existing highway crossing be constructed so as to conform to the foregoing standards and requirements.
- 11. Where a new line is being constructed, the highway crossings may be shown on the location plan. Where it is proposed to construct highways across a line already built, separate applications must be made for each crossing.
- 12. Signs shall be painted white with black letters; shall generally be placed not more than 15 feet from the track, with the edge of the sign as close to the travelled portion of the highway as possible; and shall be at right angles to the highway, facing approaching vehicles.
- 13. On straight level approaches, highway crossing signs shall be not less than five feet, nor more than six feet six inches, above the travelled portion of the highway, the said distance to be measured to the low part of the sign, as shown on the diagram dated September 1, 1927. Under other conditions, the same may be varied as necessary to give the best possible aspect from approaching vehicles both night and day.
- 14. Where there are grades and curves on the approaches, the line of sight and illumination shall be the first consideration, and highway crossing signs shall be so placed as to be readily illumined and visible from both sides of the track when users of the highway are a reasonable distance away.

And it is further Ordered: That the standard of paragraphs 12, 13, and 14 herein be substituted for existing work as and when replacements of crossing signs are necessary.

And it is further Ordered: That the said General Orders Nos. 40 and 451 be, and they are hereby, rescinded.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 468

In the matter of the specifications for highway crossing signals, and the General Order of the Board No. 96, dated November 11, 1912, made herein.

File No. 15382

TUESDAY, the 12th day of March, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

In pursuance of the powers vested in it under sections 256 and 287 of the Railway Act, and of all other powers possessed by the Board in that behalf; and upon the reports of the Chief Engineer and the Chief Operating Officer of the Board,—

It is Ordered:

1. That, until further notice, the specifications for signals at highway crossings are and shall be as follows:—

Post.—The signal must be placed upon a post of suitable structural material. If the post is made of wood it must be of sound timber not less than 8 by 8 inches and 18 feet long, and shall be firmly set in the ground to a depth of four feet. If it is made of iron or steel it shall not be less than 4 inches in diameter, shall extend at least twelve feet above the ground, and shall be firmly bolted to a concrete or other foundation constructed below the frost line.

Bell.—A bell which shall emit a clear, loud volume of sound under all weather conditions must be used.

Wigwags.—Wigwags shall be of the three-aspect type, and when in operation must show a clear bright light.

Operation.—The bell and the illuminated wigwag shall be controlled and operated automatically by the approach of trains, in such manner that only approaching trains shall operate the signal.

- 2. That any order of the Board providing for the installation of a highway crossing signal and referring to the "Standard Specifications for Highway Crossing Signals," shall be deemed a reference to the specifications herein approved and adopted.
- 3. That every highway crossing signal upon the line of any railway company subject to the legislative authority of the Parliament of Canada, installed for the purpose of protection, be inspected every morning by the sectionman in whose division or section such highway crossing signal is, or other employee of the railway company specifically charged with such duty by the company, and tested by placing a wire across the rail upon each side of the crossing, or by establishing electrical connection by any other device or method which will indicate whether or not the highway crossing signal is in good working order. If the highway crossing signal fails to operate, or operates continuously, a flagman shall be placed at such crossing at once, whose duty it shall be properly to protect the same until such highway crossing signal is repaired. Notice of such non-repair shall be given at once to the station agent nearest to such highway crossing signal, whose duty it shall be to report the matter at once to the department having charge of the operation and repair of such highway crossing signals.
- 4. That in any case where the Board orders a highway crossing signal to be installed, a plan showing the layout must be filed for the approval of an Engineer of the Board.

5. That failure to place a watchman as required by these regulations will subject the defaulter to a fine of \$50, payment of which may be ordered by the

Board upon proof of the offence.

6. That General Orders Nos. 16, 21, 29, 70, and 96, dated respectively November 3, 1908, December 3, 1908, March 2, 1909, February 7, 1911, and November 11, 1912, made herein, be, and they are hereby, rescinded.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 469

In the matter of the General Order of the Board No. 271, dated September 10, 1919, with respect to the Canadian Freight Classification and the Express Classification for Canada, and Sections 322 and 360 of the Railway Act.

File No. 25639

Tuesday, the 26th day of March, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon reading the submissions filed,—

The Board Orders: That the said General Order No. 271, dated September 10, 1919, be, and it is hereby, amended by adding, at the foot of page 2 thereof, after the words "The Manufacturers' Association of British Columbia, Vancouver, British Columbia." the words "Transportation Commission of the Maritime Board of Trade, Montreal, Quebec."

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 470

In the matter of the application of the MacDonald Metal Products Company, Limited (owning and operating the MacDonald Wire Goods Company, Limited), for an Order amending the Regulations for the Transportation of Explosives and other Dangerous Articles by Freight, paragraphs 1631 and 1634, as approved under the General Orders of the Board Nos. 203, 204, and 206.

File No. 1717.51

Friday, the 19th day of April, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon reading what is filed in support of the application, and the report and recommendation of the Assistant Chief Traffic Officer of the Board,—

It is Ordered: That paragraphs 1631 and 1634 of the Regulations for the Transportation of Explosives and other Dangerous Articles by Freight be amended by adding at the end thereof the following, namely:—

Or in wirebound boxes, Specification No. 6-A, when they are lined with spark-proof paper, or when inside containers are used.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 471

In the matter of the General Order of the Board No. 271, dated September 10, 1919, with respect to the Canadian Freight Classification and the Express Classification for Canada, and Sections 322 and 360 of the Railway Act.

File No. 25639

THURSDAY, the 2nd day of May, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon the report and recommendation of the Chief Traffic Officer of the Board, and reading the request of the Department of Railways and Telephones of Alberta, filed,—

It is Ordered: That the said General Order No. 271, dated September 10, 1919, be, and it is hereby, amended by adding the name of A. Chard, Freight and Traffic Supervisor, Department of Railways and Telephones, Edmonton, Alberta, to the list of parties to whom advance proofs of proposed changes in the Canadian Freight Classification are to be forwarded.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 472

In the matter of the application of the Railway Association of Canada for approval of revised labels to be used on containers of dangerous articles transported by freight.

File No. 1717.53

Monday, the 20th day of May, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner.

Upon its appearing that the use of uniform labels on packages of dangerous articles transported by both freight and express is desirable,—

The Board Orders: 1. That paragraph 1866 of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, approved by the General Orders of the Board Nos. 203, 204, and 206, dated August 11 and September 7, 1917, be struck out and the following substituted in lieu thereof, namely:—

1866. The wording must be in black letters inside of a black line border measuring $3\frac{1}{2}$ inches on each side, such as follows:

¹ The carrier's name and form and number, or the shipper's name and address, may be printed on the labels, in type not larger than 10 point, if placed within the black line border and in the upper or lower corner of the diamond.



RED LABEL FOR INFLAMMABLE LIQUIDS (REDUCED SIZE)



YELLOW LABEL FOR INFLAMMABLE SOLIDS AND OXIDIZING MATERIALS.

(REDUCED SIZE)



Name of Contents

INFLAMMABLE — COMPRESSED GAS Keep away from FIRE, Heat and Open-flame Lights

DO NOT DROP

This is to certify that the contents of this package are properly described by name and are packed and marked and are in proper condition for transportation according to the Regulations approved by the Board of Railway Commissioners for Canada

RED LABEL FOR INFLAMMABLE GASES.
(REDUCED SIZE)

KEEP COOL
CAUTION
Name of Contents

Non-Inflammable—Compressed Gas DO NOT DROP

This is to certify that the contents of this package are properly described by name and are packed and marked and are in proper condition for transportation according to the Regulations approved by the Board of Railway Commissioners for Canada

Shipper's name required hereon for shipments by EXPRESS

GREEN LABEL FOR NONINFLAMMABLE GASES.
(REDUCED SIZE)



2. That labels authorized by the present regulations may be used until further notice.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 473

In the matter of the Rules and Instructions for the Inspection and Testing of Locomotive Boilers and their Appurtenances.

File No. 16513

WEDNESDAY, the 22nd day of May, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. C. Lawrence, Commissioner. Hon. T. C. Norris, Commissioner.

In pursuance of the powers conferred upon the Board under sections 287 and 298 of The Railway Act, and of all other powers possessed by the Board in that behalf; and upon reading the submissions filed on behalf of the Canadian National Railways, the Canadian Pacific Railway Company, and the Railway Association of Canada; and upon the report and recommendation of the Chief Operating Officer of the Board,—

It is ordered:

1. That the railway companies subject to the jurisdiction of the Board adopt and put into force at once the rules and instructions for the inspection and testing of locomotive boilers and their appurtenances, attached hereto marked "A".

2. That General Orders numbered 71, dated February 7, 1911; No. 78, dated July 14, 1911; No. 85, dated February 12, 1912; No. 389, dated January 21, 1924; No. 394, dated February 8, 1924; No. 423, dated August 31, 1925; No. 428, dated February 1, 1926; No. 445, dated July 18, 1927; and No. 438, dated February 14, 1927; Order No. 32237, dated March 24, 1922, made herein; and Circulars No. 76, dated January 16, 1912; No. 109, dated April 1, 1913; and No. 109, dated Lincolf, 1921, installable and the line of the No. 192, dated June 15, 1921, issued under the direction of the Board, be rescinded and cancelled.

H. A. McKEOWN,

Chief Commissioner.

BOARD OF RAILWAY COMMISSIONERS FOR CANADA OPERATING DEPARTMENT

" A "

RULES AND INSTRUCTIONS FOR INSPECTION AND TESTING OF LOCOMOTIVE BOILERS AND THEIR APPURTENANCES

Approved by General Order No. 473

RESPONSIBILITY FOR THE GENERAL CONSTRUCTION

(1) The railway company will be held responsible for the general design and construction of the locomotive boilers under its control. The safe working pressure for each locomotive boiler shall be fixed by the Chief Mechanical Officer of the company, or by a competent mechanical engineer under his supervision after full consideration has been given to the general design, workmanship, age and condition of the boiler.

RULES FOR INSPECTION

(2) The mechanical officer in charge at each point where boiler work is done will be held responsible for the inspection and repair of all locomotive boilers and their appurtenances under his jurisdiction. He must know that all defects disclosed by any inspection are properly repaired before the locomotive is returned to service.

(3) The term inspector as used in these rules and instructions, unless other-

wise specified, will be held to mean the railway company's inspector.

INSPECTION OF INTERIOR OF BOILER

(4) Time of Inspection.—The interior of every boiler shall be thoroughly inspected before the boiler is put into service, and whenever a sufficient number of flues are removed to allow examination.

(5) Flues to be Removed.—All flues of boilers in service, except as otherwise provided shall be removed at least every four years and a thorough examination shall be made of the entire interior of the boiler. After the flues are taken out, the inside of the boiler must have the scale removed and be thoroughly cleaned. The removal of flues shall be due after forty-eight calendar months' service, provided such service is performed within five consecutive

years. Portions of calendar months out of service will not be counted. Time out of service must be properly accounted for by "out of service" reports and notations of months claimed out of service made on the back of each subsequent inspection report and cab card. The period for removal of flues, upon formal application to the Chief Operating Officer, may be extended if investigation shows the conditions warrant it. If an extension of time is desired, application should be made to the Chief Operating Officer for each locomotive, individually, forty-five (45) days before the removal of tubes becomes due, and show.—

(1) Number of each locomotive for which the extension is desired.

(2) Date of previous removal of flues.

(3) Mileage made since flues were removed and interior of boiler cleaned and inspected.

(4) Number of full calendar months claimed out of service.

- (5) Period of time for which the extension is desired.
- (6) Point at which locomotive will be held and dome cap and throttle stand pipe removed to permit an inspection by the Board's Inspector.
- (6) Method of Inspection.—The entire interior of the boiler must then be examined for cracks, pitting, grooving, or indications of overheating and for damage where mud has collected or heavy scale formed. The edges of the plates, all laps, seams and points where cracks and defects are likely to develop or which an exterior examination may have indicated, must be given an especially minute examination. It must be seen that braces and stays are taut, that pins are properly secured in place, and that each is in a condition to support its proportion of the load.
- (7) Repairs.—Any boiler developing cracks in the barrel shall be taken out of service at once, thoroughly repaired, and reported to be in satisfactory condition before it is returned to service.
- (8) Lap Joint Seams.—Every boiler having lap joint longitudinal seams without reinforcing plates, shall be examined with especial care to detect grooving or cracks at the edges of the seams.
- (9) Fusible Plugs.—If boilers are equipped with fusible plugs they shall be removed and cleaned of scale at least once every month. Their removal must be noted on the report of inspection.

INSPECTION OF EXTERIOR OF BOILER

- (10) Time of Inspection—The exterior of every boiler shall be thoroughly inspected before the boiler is put into service and whenever the jacket and the lagging are removed.
- (11) Lagging to be Removed.—The jacket and lagging shall be removed after sixty calendar months' service provided such service is performed within six consecutive years and a thorough inspection made of the entire exterior of the boiler while under hydrostatic pressure. The jacket and lagging shall also be removed whenever, on account of indications of leaks, the Board's Inspector or the railway company's Inspector considers it desirable or necessary.

TESTING BOILERS

(12) Time of Testing.—Every boiler, before being put into service and at least after every twelve calendar months' service, provided such service is performed within two consecutive years, shall be subjected to hydrostatic pressure 25 per cent above the working steam pressure.

- (13) Removal of Dome Cap.—The dome cap and throttle standpipe must be removed at the time of making the hydrostatic test and the interior surface and connections of the boiler examined as thoroughly as conditions will permit. In case the boiler can be entered and thoroughly inspected without removing the throttle standpipe, the Inspector may make the inspection by removing the dome cap only; but the variation from the rule must be noted in the report of inspection.
- (14) Witness of Test.—When the test is being made by the railway company's inpector, an authorized representative of the company, thoroughly familiar with boiler construction, must personally witness the test and thoroughly examine the boiler while under hydrostatic pressure.
- (15) Repairs and Steam Test.—When all necessary repairs have been completed, the boiler shall be fired up and the steam pressure raised to not less than the allowed working pressure, and the boiler and appurtenances carefully examined. All cocks, valves, seams, bolts, and rivets must be tight under this pressure and all defects disclosed must be repaired.

STAYBOLT TESTING

- (16) Time of Testing Rigid Bolts.—All staybolts shall be tested at least once each month. Staybolts shall also be tested immediately after each hydrostatic test.
- (17) Method of Testing Rigid Bolts.—The inspector must tap each bolt and determine the broken bolts from the sound or the vibration of the sheet. If staybolt tests are made when the boiler is filled with water, there must be not less than fifty pounds' pressure on the boiler. Should the boiler not be under pressure the test may be made after draining all the water from the boiler, in which case the vibration of the sheet will indicate any unsoundness. The latter test is preferable.
- (18) Method of Testing Flexible Staybolts with Caps.—(a) Except as provided in paragraph (b), all staybolts having caps over the outer ends shall have the caps removed upon the completion of twenty-four calendar months' actual service, and bolts and sleeves examined for breakage, provided such service is performed within three consecutive years. Portions of calendar months out of service will not be counted. Time out of service must be properly accounted for by out service reports, and notations of months claimed out of service made on the back of each subsequent inspection report and cabcard. Each time a hydrostatic test is applied, the hammer test required by Rules 16 and 17 shall be made while the boiler is under hydrostatic pressure, not less than the allowed working pressure.
- (b) When all flexible staybolts with which any boiler is equipped are provided with a telltale hole not less than three-sixteenths $(\frac{3}{16})$ inch, nor more than seven thirty-seconds $(\frac{7}{32})$ inch in diameter, extending the entire length of the bolt and into the head not less than one-third $(\frac{1}{3})$ of its diameter, and these holes are protected from becoming closed by rust and corrosion by copper plating or other approved method, and are opened and tested each time the hydrostatic test is applied, with an electric or other instrument that will positively indicate when the telltale holes are open their entire length, the caps will not be required to be removed. When this test is completed, the hydrostatic test must be applied and all staybolts removed which show leakage through the telltale holes.

The inner ends of the telltale holes must be kept closed with a fireproof porous material that will exclude foreign matter and permit leakage of steam

or water, if the bolt is broken or fractured, into the telltale hole. When this test is completed, the ends of the telltale holes shall be closed with material of

different colour than that removed and a record kept of colours used.

For the purpose of testing flexible staybolts provided with a telltale hole extending the entire length of the bolt and into the head, an electrical or other instrument may be used that will permit of a suitable rod entering the telltale hole the entire length, with a contact plug so designed that it will fit into the opening of any adjacent telltale hole and thereby form an electrical contact through the fire-box sheet, and ligt a bulb visible to the operator, thus indicating the hole in the staybolt to be tested is open the full length of opening.

When the provisions of paragraph (b) are complied with, the removal of caps from flexible staybolts as provided in the first paragraph of the rules is not

required.

When paragraph (b) is complied with and caps are not removed, item No. 5 of the Annual Locomotive Inspection and Repair Report should be answered "No." with a notation at the bottom or on the margin of the report, "Rule 18 (b) complied with."

- (c) The removal of flexible staybolt caps and other tests shall be reported on Form No. 2, and a proper record kept in the office of the railway company of the inspections and tests made.
- (d) Fire-box sheets must be carefully examined at least once every month for mud burn, bulging, and indication of broken staybolts.
- (e) Staybolt caps shall be removed, or any of the above tests made, whenever the Board's Inspector, or the Railway Company's Inspector, considers the removal desirable in order thoroughly to determine the condition of staybolts or staybolt sleeves.
- (19) Method of Testing Flexible Staybolts Without Caps.—Flexible staybolts which do not have eaps shall be tested once each month, the same as rigid bolts. Each time a hydrostatic test is applied, such staybolt test shall be made while the boiler is under hydrostatic pressure not less than the allowed working pressure, and proper notation of such test made on Form No. 2.
- (20) Broken Staybolts.—No boiler shall be allowed to remain in service when there are two adjacent staybolts broken or plugged in any part of the firebox or combustion chamber, nor when three or more are broken or plugged in a circle four feet in diameter, nor when five or more are broken or plugged in the entire boiler.
- (21) Telltale holes.—All staybolts shorter than eight (8) inches, applied after January 1, 1912, except flexible bolts, shall have telltale holes at least three-sixteents $\binom{3}{16}$ inch in diameter and not less than $1\frac{1}{4}$ inches deep in the outer end. These holes must be kept open at all times.

STEAM GAUGES

- (22) Location of Gauges.—Every boiler shall have at least one steam gauge which will correctly indicate the working pressure. Care must be taken to locate the gauge so that it will be kept reasonably cool, and can be conveniently read by the enginemen.
- (23) Siphon.—Every gauge shall have a siphon of ample capacity to prevent steam entering the gauge. The pipe connection shall enter the boiler direct, and shall be maintained steam-tight between the boiler and gauge. The siphon pipe and its connections to the boiler must be cleaned each time the gauge is tested.

- (24) Time of Testing.—Steam gauges shall be tested at least once every three months and also when any irregularity is reported.
- (25) Method of Testing.—Steam gauges shall be compared with an accurate test gauge or dead weight tester, and gauges found inaccurate shall be corrected before being put into service.
- (26) Badge Plates.—A metal badge plate showing the allowed steam pressure shall be attached to the boiler head in the cab. If the boiler head is lagged, the lagging and jacket shall be cut away so the plate can be seen.
- (27) Boiler Number.—The builder's number of the boiler, if known, shall be stamped on the dome. If the builder's number of the boiler cannot be obtained, an assigned number which shall be used in making out specification card shall be stamped on the dome.

SAFETY VALVES

- (28) Safety Valve.—Every boiler shall be equipped with at least two safety valves, the capacity of which shall be sufficient to prevent under any conditions of service, an accumulation of pressure more than 5 per cent above the allowed steam pressure.
- (29) Setting of Safety Valves.—Safety valves shall be set by the gauge used on the boiler to pop at pressures not exceeding six pounds above the allowed steam presure; the gauge in all cases to be tested before the safety valves are set or any changes made in the setting. When safety valves are being set the water level in the boiler must not be above the highest gauge cock.
- (30) Time of Testing.—Safety valves shall be tested under steam at least once every three months, and also when any irregularity is reported.

WATER GLASS AND GAUGE COCKS

- (31) Water Glass and Gauge Cocks.—Every boiler shall be equipped with at least one water glass and three gauge cocks. The lowest gauge cock and the lowest reading of the water glass shall be not less than three inches above the highest part of the crown sheet.
- (32) Water Glass Valves.—All water glasses shall be supplied with two valves or shut-off cocks, one at the upper and one at the lower connection of the boiler, and also a drain cock, so constructed and located that they can be easily opened and closed by hand.
- (33) Time of Cleaning.—The spindles of all gauge cocks and water glass cocks shall be removed and cocks thoroughly cleaned of scale and sediment at least once each month.
- (34) All water glasses must be blown out and gauge cocks tested before each trip and gauge cocks must be maintained in such condition that they can be easily opened and closed by hand without the aid of a wrench or other tool.
- (35) Water and Lubricator Glass Shields.—Water gauge glass mountings on all locomotives must be protected by a strong cage made of aluminum, or brass metal, fitted with heavy specially toughened glass shields \(^3\) of an inch thick, with an outlet pipe attached to the bottom of the water gauge mounting which will allow the flow of steam from broken gauge glass to escape below the foot plate of the locomotive, or close to the foot plate itself. These appurtenances must be so located as to insure a correct reading of the level of the

water in the boiler at all times, and be in full view of both the engineer and fireman, and the lights so placed that there will be a clear and unobstructed view of the water in the mounting.

The provisions of this rule, in so far as the type of shield is concerned. do not apply to the Central Vermont, Rutland, Great Northern, Delaware &

Hudson (Napierville Junction) railways.

(36) Water Glass Lamps.—All water glasses must be supplied with a suitable lamp properly located to enable the engineer to see easily the water in the glass.

INJECTORS

(37) Injectors must be kept in good condition, free from scale and must be tested before each trip. Boiler checks, delivery pipe, feed water pipes, tank hose and tank valves must be kept in good condition, free from leaks and from foreign substances that would obstruct the flow of water.

Flue Plugs

(38) Flue plugs must be provided with a hole through the centre not less than three-fourths inch in diameter. When one or more tubes are plugged at both ends, the plugs must be tied together by means of a rod not less than five-eighths inch in diameter. Flue plugs must be removed and flues repaired at the first point where such repairs can properly be made.

WASHING BOILERS

- (39) Time of Washing.—All boilers shall be thoroughly washed as often as the water conditions require, but not less frequently than once each month. All boilers shall be considered as having been in continuous service between washouts, unless the dates of the days that the boiler was out of service are properly certified on washout reports and the report of inspection.
- (40) Plugs to be Removed.—When boilers are washed, all washout, arch, and water bar plugs must be removed.
- (41) Water Tubes.—Special attention must be given the arch and water bar tubes to see that they are free from scale and sediment.
- (42) Office Record.—An accurate record of all locomotive boiler washouts shall be kept in the office of the railway company. The following information must be entered on the day that the boiler is washed:—
 - (a) Number of locomotive.
 - (b) Date of washout.
 - (c) Signature of boiler washer or inspector.
 - (d) Statement that spindles of gauge cocks and water glass cocks were removed and cocks cleaned.
 - (a) Signature of the boiler inspector or the employee who removed the spindles and cleaned the cocks.

STEAM LEAKS

(43) Leaks Under Lagging.—If a serious leak develops under the lagging, an examination must be made and the leak located. If the leak is found to be increased in the shell or to any other defect which may reduce safety, the miler must be taken out of service at once, thoroughly repaired, and reported to be in satisfactory condition before it is returned to service.

(44) Leaks in Front of Enginemen.-All steam valves, cocks, and joints, studs, bolts, and seams shall be kept in such repair that they will not emit steam in front of the enginemen so as to obscure their vision.

FILING REPORTS

(45) Report of Inspection.—Not less than once each month and within fifteen days after each inspection, a report of inspection, Form No. 1, size 6 by 9 inches, shall be filed with the Chief Operating Officer of the Board for each locomotive used by a railway company, and a copy shall be filed in the office of the chief mechanical officer having charge of the locomotive.

(46) A copy of the monthly inspection report form No. 1 and, or, the annual inspection report form No. 2, when such report substitutes the monthly report shall be placed under glass in the cab of the locomotive before the

boiler is put into service.

On American-built locomotives running in International Service between the United States and Canada, it will not be necessary to post in the cabs of such engines the certificate required under clause 46 of these rules and regulations, provided that the certificate required by the Interstate Commerce Commission or the Public Service Commission of New York is posted in the cabs of such engines; and the form used for reporting to the Interstate Commerce Commission or the Public Service Commission of New York on inspection of engines may be used for reporting to the Board of Railway Commissioners for Canada, as required by clause 45 of the said rules.

(47) Not less than once each year and within fifteen days after hydrostatic and other required tests have been completed, a report of such tests showing general conditions of the boiler and repairs made shall be submitted on Form No. 2 of the schedule hereto, size 6 by 9 inches, and filed with the Chief Operating Officer of the Board, and a copy shall be filed in the office of the chief mechanical officer having charge of the locomotive. The monthly report will

not be required for the month in which this report is filed.

(48) Out of Service Reports.—Out of service reports shall be filed at the end of the month for which they are to cover and show date engine is taken out of service, reason therefore, and location on date report is filed, as shown hereunder:-

> be used again until inspection Report is filed. Dated.. ..

Before such locomotives are returned to service an inspection must be made and report filed.

(49) Specification Card. -- A specification card, size 8 by 102 inches, form No. 3 of the schedule hereto, containing the results of the calculations made in determining the working pressure and other necessary data, shall be filed in the office of the Chief Operating Officer of the Board for each locomotive boiler. A copy shall be filed in the office of the chief Mechanical Officer having charge of the locomotive. Every specification card shall be verified by the engineer making the calculations, and shall be approved by the chief mechanical officer. These specification cards shall be filed as promptly as thorough examination and accurate calculation will permit. Where accurate drawings of boilers are available, the data for specification card, said Form No. 3, may be taken from the drawings, and such specification cards must be completed and forwarded forthwith. Where accurate drawings are not available, the required data must be obtained at the first opportunity, when general repairs are made or when 13756---94

flues are removed. Specification cards must be forwarded within one month after examination has been made and all examinations must be completed and specification cards filed prior to July 1, 1930, flues being removed, if necessary,

to enable the examination to be made before this date.

When any repairs or changes are made which affect the data shown on the specification card a corrected card or an alteration report on a form size 8 by 10½ inches, properly certified to, giving details of such changes, shall be filed within 30 days from the date of their completion. This report should cover:-

(a) Application of new barrel sheets or domes.

(b) Application of patches to barrels or domes of boilers or to portion of wrapper sheet of crown bar boilers which is not supported by stay-bolts.

(c) Longitudinal seam reinforcements.

- (d) Changes in size or number of braces, giving maximum stress.
- (e) Initial application of superheaters, arch or waterbar tubes, giving number and dimensions of tubes.
- (f) Changes in number or capacity of safety valves.

Report of patches should be accompanied by a drawing or blue-print of the patch, showing its location in regard to the center line of boiler, giving all necessary dimensions, and showing the nature and location of the defect. Patches previously applied should be reported the first time the boiler is stripped

to permit an examination.

(50) In the case of an accident resulting from failure, from any cause, of a locomotive boiler, or any of its appurtenances, resulting in serious injury, or death to one or more persons, the carrier owning or operating such locomotive shall immediately transmit by wire to the Chief Operating Officer of the Board, at his office in Ottawa, Ontario, a report of such accident, stating the nature of the accident, the place at which it occurred, and whether the locomotive may be inspected, which wire shall immediately be confirmed by mail, giving a full detailed report of such accident, stating, so far as may be known, the causes, and giving a complete list of the killed or injured.

Water glass mountings, all gauge cocks, or any of the appurtenances in connection with the water supply of the locomotive boiler must not be removed from the boiler and in no way interfered with until after the Board's Inspector

has completed his inspection.

(51) In all cases of damage to fireboxes in locomotives by shortage of water a report covering such damage must be promptly forwarded to the Chief

Operating Officer of the Board.

(52) Railway companies shall file with the Chief Operating Officer of the Board a list showing the numbers of all locomotives owned or leased by them; also a list giving the numbers of all additional locomotives that may be purchased, built, or leased by the said railway companies from time to time.

MONTHLY LOCOMOTIVE BOILER INSPECTION AND REPAIR REPORT

Boiler Form No. 1.

Month of19	Locomotive (No.
In accordance with the Order of the Board, and the Rules and Instruction operated by the Treperty on the back of this report; that to the best of my knowledge and belief said boiler pressure of	In accordance with the Order of the Board, and the Rules and Instructions issued in pursuance thereof, I hereby certify that on 19 operated by the operated by the Company that all defects disclosed by said inspection have been repaired, except as noted pressure of
1. Steam gauges tested and left in good condition on	12. Condition of throttle connections and action nine
2. Safety valves set to pop at	13. Were steam leaks repaired?
	14. Condition of crown stays and staybolts
4. Were steam leaks repaired?	15. Number of crown and stay holts romand
5. Condition of brake and signal equipment	16. Condition of flues and frakes shadta
6. Condition of draw gear between engine and tendor. Inspected on.	17. Condition of arch or water bar tubes, if used
7. Condition of draft gear on front and rear ends	18. Were fusible plugs or low water alarm cleaned?
8. Condition of driving and running gear	19. Were arch tubes cleaned with mechanical cleaner?
9. Was superheater tested and examined?	20. Condition of tender
10. ('ondition of superheater.	21. Date of previous hydrostatic test
11. Was boiler washed?	22. 17ate of previous removal of caps from flexible staybolts19
Province of	
County of	
I hereby certify that to the best of my knowledge and belief the above report is correct.	Inspector.
	The state of the s

Locomotive Initial.

Boiler Form No. 2.

ANNUAL LOCOMOTIVE BOILER INSPECTION AND REPAIR REPORT

In accordance with the Order of the Board, and the Rules and Instructions issued in pursuance thereot, I hereby certify that on	ssued in pursuance thereot, I hereby certify that on
1. Dute of previous hydrostatic tests. 2. Date of previous removal of caps from flexible staybolts. 3. Date of previous removal of flues. 4. Date of previous removal of all haging. 5. Were caps removed from all flexible staybolts? 6. Were all flues removed. 7. Wambor removed. 8. Condition of interior of barrel. 9. Condition of exterior of barrel. 9. Condition of exterior of barrel. 1. Was boiler wished? 2. Was boiler wished? 3. Condition of coven stays and stay bolts.	14. Number of broken crown stays and stay bolts renewed 15. Condition of sling stays and crown bars 16. Condition of crown braces and bolts. 17. Condition of throat braces. 18. Condition of back head braces. 20. Condition of freth sheet braces. 21. Condition of arch tubes. 22. Water bar tubes. 23. Condition of superheaters. 24. Were arch tubes cleaned with mechanical cleaner? 25. Were trisble plugs or low water alarm cleaned? 26. Were trisble plugs or low water alarm cleaned? 27. Were trisble plugs or low water alarm cleaned? 28. Were steam leaks repaired?
I certify that	I certify that the above report is correct
26. Were steam gauges tested and left in good condition? 27. Safety valves set to pop at. 28. Were both injectors tested and left in good condition? 29. Were steam leaks repaired? 20. Were steam leaks repaired? 30. Hydrostatic test of. 31. Were main reservoirs hammer tested under pressure.	32. Condition of brake and signal equipment 33. Were drawbar and pins removed and inspected? 34. Condition of draft gear and draw gear 35. Condition of driving and running gear 36. Was feed water pump tested and left in good condition? 37. Condition of feed water heater 38. Condition of tender.
County of	
Province of The above report	The above report is correct and the form is approved

Table to be printed on back of monthly and annual locomotive boiler inspection and repair report.

LOCOMOTIVE OUT OF SERVICE RECORD

(Full calendar months out of service)

Year Jan. Feb. Mar. April May June July Aug. Sept. Oct. Nov. Dec.	Indicate by X in columns above entire calendar months engine out of scrvice. SPECIAL MONTHLY EXAMINATION OF FIRE PROTECTIVE APPLIANCES ON LOCOMOTIVES	Condition of . Repairs made	Netting. Dead plates. Ash pans. Dampers. Slides and doors. Inspected by
Triple	Indicate		Netting Dead plates Ash pans Dampers Slides and d

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Porm Ac. 1.

Owned by Operated by	Ruilway Company Railway Company
Builder's No. of boiler. Builder's No. of boiler. Type of boiler Material of boiler shell sheets Material of mixets Crate area in square food	Shell sheets: Front tube Front tube Thick. I diam. Sad course. Mem:—When courses are not cylindrical give inside diameter at each end. Firebox: Thickness of sheets—
Height of lowest reading of gauge glass above crown sheer. Height of lowest gauge cock above crown sheet. Height of lowest gauge cock above crown sheet. Arch tubbes, 0. diam. Fire tubes, 0. diam. Fire tubes, 0. diam. Size Make Sityle.	Tube Tube Tube Tube Tube Tube Tube Tube
Firebox staybolts, 0. diam. Combustion chamber staybolts, 0. diam. Combustion chamber staybolts, spaced. Combustion chamber staybolts, spaced. Computer staybolts, computer staybolts, computer staybolts, computer staybolts.	Were you furnished with authentic records of the tests of material used in Records on file in the office of the Company show that the lowest tensile strength of the sheets in the shell of this boiler is: Ist course. 2nd course pounds per sq. in. 3nd course pounds per sq. in.
Crown bar rivets, 0, diam., top. Crown bar rivets, 0, diam., top. Nater space at firebox ring, sides Front Width of water space at sides of firebox measured at centre line of boiler, front front	Is boiler shell circular at all points? If shell is flattened state location and amount Are all parts thoroughly stayed? Are done and other openings sufficiently reinforced? Is boiler equipped with fusible plugs or low water alarm?
Make working sketch here, or attach drawing of longitudinal and circumferential seams used in give calculated efficiency of weakest longitudinal seam. The maximum stresses at the allowed working pressure were found by calculation to be as follows: Stay bolts at root of thread. Stay bolts at reduced section. Stay bolts at reduced section. Crown stays or crown bar rivets at root of thread or smallest section, top Tension on net sector. Tension on net sector. Tension on net sector. Tension on net sector.	or attach drawing of longitudinal and circumferential seams used in the shell of boiler, indicating on which courses used, and longitudinal seam. In a per sq. in. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom. In a cot of thread or smallest section, bottom.
Dimensions and data taken from locomotive were furnished by Data upon which above calculations were made were obtained from drawi Approved: (Tible)	Dimensions and data taken from locomotive were furnished by. Data upon which above calculations were made were obtained from drawing No. Gompany. d: (Title.)

GENERAL ORDER No. 474

In the matter of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, as prescribed and approved under the General Orders of the Board Nos. 203, 204, and 206.

File No. 1717.1.3

FRIDAY, the 31st day of May, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner.

S. J. McLean, Assistant Chief Commissioner.

Hon. T. C. Norris, Commissioner.

Upon reading the submissions filed on behalf of the Railway Association of Canada, and the report and recommendation of its Assistant Chief Traffic Officer,—

The Board Orders: That Specification No. 6, section 43, as published in the said Regulations for the Transportation of Explosives and Other Dangerou-Articles by Freight, be, and it is hereby, cancelled and the following substituted in lieu thereof, namely:—

- 43. Fibreboard cases of three-piece flanged heads or ends construction are approved, provided the heads or ends are composed of material having a resistance, Mullen test, 50 per cent in excess of that of the sides, with the inner mantle specified under the heading of "Fibreboard Cases." All heads or ends must be metal-sewed to the case sides, top and bottom. The width of the flange shall not be less than 1 inch in the clear, excluding the fillet.
- 43A (a) Weight limit 40 pounds, case and contents. When the fibreboard or pulp-board used in making the sides, tops, and bottoms of flanged head cases is not less than .080 inch in thickness, having a resistance of not less than 200 pounds to the square inch, Mullen test, and the outside dimensions of the case (length, width, and depth) added, do not exceed 55 inches, the gross weight of the case and contents shall not exceed 40 pounds.
- (b) Weight limit 60 pounds, case and contents. When the fibreboard or pulpboard used in making the sides, tops, and bottoms of flanged-head cases is not less than .080 inch in thickness, having a resistance of not less than 200 pounds, Mullen test, and an inner liner of double face corrugated strawboard is arranged and constructed to closely fit inside the sides, top, and bottom of the case, and the outside dimensions of the case (length, width, and depth) added do not exceed 60 inches, the gross weight of the case and contents shall not exceed 60 pounds.

The liners shall be made of one piece of double-face corrugated strawboard fitting closely inside the case as a lining of those four sides of the case not formed by the flanged heads or ends; the juncture of the two ends of the liner shall consist of a closely fitted butt joint, which must be located near the centre of one of the sides, top, or bottom, and not along the edge of the case. The facings of the liner and the corrugated sheet shall be made of strawboard not less than .009 inch in thickness, and the facings shall be firmly glued to the corrugated sheet.

The flanged heads or ends of containers specified in paragraphs 43A (a) and 43A (b) must be composed of material at least 0.100 inch in thickness and having a resistance of not less than 275 pounds per square inch, Mullen test. All heads or ends must have flanged metal sewed to the case sides, top and bottom. The width of the flanges must be not less than 1 inch in the clear, excluding the fillet.

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 475

In the matter of the Circular of the Board No. 222, dated March 6, 1929, asking the railway companies to show cause why their siding agreements should not contain a clause specifically setting out the requirements of Section 250 of the Railway Act and subsection (c), Section 7, of General Order No. 236, as to both vertical and lateral clearances.

File No. 1750.18

THURSDAY, the 31st day of May, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. S. J. McLean, Assistant Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

C. LAWRENCE, Commissioner.

Hon. T. C. Norris, Commissioner.

Upon reading the submissions filed, the Railway Association of Canada consenting; and upon the report and recommendation of the Chief Engineer of the Board.—

It is Ordered: That the railway companies subject to the jurisdiction of the Board be, and they are hereby, required to incorporate a clause in their siding agreements specifically setting out the requirements of the said section 250 of the Railway Act and subsection (c), section 7, of General Order of the Board No. 236 as to both vertical and lateral clearances.

S. J. McLEAN,
Assistant Chief Commissioner.

GENERAL ORDER No. 476

In the matter of the application of the Canadian Freight Association under Section 322 of the Railway Act, for approval of Supplement No. 5 to Canadian Freight Classification No. 17, on file with the Board under file No. 33365.85:

Monday, the 17th day of June, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner.

S. J. McLean, Assistant Chief Commissioner.

C. Lawrence, Commissioner.

Hon. T. C. Norris, Commissioner.

Whereas notice has been given by the Canadian Freight Association in the Canada Gazette, as required by section 322 of the Railway Act, and copies of the said supplement were furnished to the mercantile organizations enumerated in the general orders of the Board Nos. 271, 348, 353, and 469, with the request that their objections, if any, be filed with the Board within thirty days:

Upon consideration of the said objections; and upon hearing the application at the sittings of the Board held in Ottawa, May 28, 1929, the Canadian Freight Association and the Canadian Manufacturers' Association being represented at the hearing, and what was alleged; and upon the report and recommendation of its Clief II. II.

its Chief Traffic Officer, -

The Board orders: That the said Supplement No. 5 to the Canadian Freight Classification No. 17 be, and it is hereby approved, subject to the following changes and additions, namely:—

	1			
Page	Item		L.C.L.	C.L.
11		Add the following item, cancelling Item 70, page 69, of the Classification— Carriers, Second Hand Empty, Returned; Reels, Cable, Hose		
12 12	12	Shipping, Lead Pipe, or Wire Rope	3	
17	13 14	Chemicals, Drugs or Medicines:— Bottles or Jars, Glass, N.O.I.B.N. other than cut glass, with or without their equipment of caps, covers, stoppers or tops, less than one gallon in capacity: Packed in barrels, boxes or crates, O.R.B. (See Note) In packages named, O.R.B., C.L., min. wt. 30,000 lbs Change to read— Salt: Smoked (See Note):	3	õ
		In glass or earthenware packed in barrels or boxes, O.R.B. In inner containers other than glass or earthenware in barrels or boxes. In bulk in barrels, boxes or pails. In packages named, C.L., min. wt. 30,000 lbs. In packages named, C.L., min. wt. 36,000 lbs. In packages named, C.L., min. wt. 36,000 lbs. Nore.—The term "Smoked Salt" includes salt treated by direct action of wood smoke only. Where Smoked Salt contains pyroligneous acid, sugar, pepper, saltpetre or other preserving compounds, ratings provided for Food Preserving or Curing Compounds, N.O.I.B.N. will apply.	3 4	5 10
21		Change to read, cancelling Items 9, 10, and 11, page 62, of the Classification— Conveying, Dredging, Dumping or Hoisting Buckets, Dippers or skips, power, iron or steel: N.O.I.B.N. Loose or in packages. Loose or in packages, straight or mixed C.L., min. wt. 30,000 lbs. Add the following item, cancelling Item 24, page 244, of the Classification— Stone, Artificial:	3	ð
26	5	Polished: In slabs, in boxes or crates. In blocks or pieces in boxes or crates, or with finished surfaces protected by boxing or crating securely strapped to each piece. In packages named, C.L., min. wt. 36,000 lbs	3	5
		Weighing each 25 lbs. or over, loose. In boxes or crates. Loose or in packages, C.L., min. wt. 24,000 lbs., subject to Rule 7.	3	5

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 477

In the matter of Canadian Freight Classification, and Section 322 of the Railway Act

File No. 25639

Wednesday, the 26th day of June, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner.

Upon its appearing that the Interstate Commerce Commission has in its Tariff Circular No. 20 prescribed certain symbols to indicate changes in rates or charges, rules, regulations or practices in freight tariffs, and its being desirable that there should be uniformity of symbols covering both movements wholly within Canada as well as to United States points,—

The Board Orders: That section 3 of General Order No. 271, dated September 10, 1919, be struck out and the following substituted therefor, namely:—

- 3. (a) Unless, for special reasons, exemption be granted by the Board, the following symbols shall be used in the said proof, and in the approved classification or supplement, namely:
 - * To denote an addition.
 - To denote an increase in the previous rating, or charge, or cost of transportation.
 - To denote a reduction in the previous rating, or charge, or cost of transportation.
 - ▲ To denote changes in wording which result in neither increases nor reductions in previous rating, or charge, or cost of transportation.

Explanation of such symbols must be published in the classification or supplement in which used.

(b) Supplements shall show against each increase or reduction a reference to the previously approved item.

THOMAS VIEN,

Deputy Chief Commissioner.

GENERAL ORDER No. 478

In the matter of the General Order of the Board No. 463, dated September 19, 1928, amending General Order No. 403, dated June 6, 1924, requiring railway companies subject to the jurisdiction of the Board to install electric lights in the classification and marker lamps of all locomotive engines in service which are now, or in future may be, equipped with electric light installations.

File No. 6511.8

Wednesday, the 26th day of June, A.D. 1929.

THOMAS VIEN, K.C., Deputy Chief Commissioner. Hon. T. C. Norris, Commissioner.

Upon reading what has been filed on behalf of the Railway Association of Canada, and the report of its Chief Operating Officer,—

The Board Orders: That the time within which the electric lights required to be installed under the said General Order No. 463 on the back of locomotive tenders be, and it is hereby, extended until the 30th day of June, 1930; the railway companies to report progress at September 30, 1929, as to the number of engines yet to be equipped, in addition to the number of engines fully equipped.

THOMAS VIEN,

Deputy Chief Commissioner.

GENERAL ORDER No. 479

In the matter of Rules and Regulations governing the construction and filing of freight and passenger schedules with the Board

File No. 606

FRIDAY, the 28th day of June, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. Thomas Vien, K.C., Deputy Chief Commissioner. Hon. T. C. Norris, Commissioner.

In pursuance of the powers expressly conferred under sections 324 and 325 of the Railway Act, and of all other powers possessed by the Board in that behalf—

The Board orders as follows:-

- 1. That the Rules and Regulations Governing the Construction and Filing of Freight and Passenger Schedules, attached hereto marked "A", and published in Circular No. 223, be, and they are hereby, approved for the use of railway companies, or properly authorized agents thereof, who file freight and passenger schedules with the Board.
- 2. That General Orders No. 398, dated April 11, 1924; No. 407, dated September 5, 1924; No. 462, dated September 20, 1928, be, and they are hereby, rescinded.

THOMAS VIEN,

Deputy Chief Commissioner.

" A "

CIRCULAR NO. 223

(Cancelling Circular No. 204)

Effective August 1, 1929

RULES AND REGULATIONS GOVERNING THE CONSTRUCTION AND FILING OF FREIGHT RATE SCHEDULES

The term "Local Rate", as used herein, is construed to mean a rate that extends over the line of one carrier only.

"Local Tariffs" are those which contain "Local Rates."

The term "Joint Rate", as used herein, is construed to mean a rate that extends over the lines of two or more carriers, and that is made by arrangement or agreement between such carriers and evidenced by "Concurrence" or "Power of Attorney."

"Joint Tariffs" are those which contain "Joint Rates."

tariffs.

Size of

from point of origin to destination. It may be a local rate; a joint rate; or a combination of separately established rates.

The term "Through Rate" is construed to mean the total rate

Numbering tariffs.

1. Tariffs and Supplements must be of uniform size, namely, eight (8) inches wide by eleven (11) inches long, and be consecutively numbered with the prefix "C.R.C." in the upper margin of title page.

Filing advices. When filed with the Board they must be accompanied by a filing advice in duplicate (see appendix "A"), consecutively numbered and containing a description of the tariffs or supplements covered thereby. The original advice will be retained, and the duplicate stamped with date of receipt and returned.

Typewritten or mimeographed copies of tariffs and supplements will not be accepted unless they are clear and legible in all respects.

Typewritten or mimeographed tariffs and Supplements,

2. Under the provisions of Section 344 of the Railway Act, railway companies subject to the Act are authorized to issue special rate notices between points which are not competitive in the following cases, namely:—

Special rate

(a) To provide for the prompt shipment of any freight which may unexpectedly offer, and for which no suitable tariffs have been prepared, on condition that the filing and publication of such tariffs be immediately proceded with, except where special notice has been issued to cover an individual consignment and the rate is not of a permanent character.

(b) To provide for the disposition of shipments which may have been forwarded to the wrong destination, or which have been refused by the consignees, by returning them to the original points of shipment at less than the ordinary tariff rate, or by reforwarding at a reduced rate from the first to a second destination, in which case the published rate from the point of shipment to the first destination, added to the reduced rate from the first destination to the second, shall not be less than the published rate for a through haul from the original shipping point to the second or final destination.

- (c) To provide for the carriage of small sample or trial shipments for testing purposes, with a view to opening up business, as, for example, a trial shipment of ore from a new mine to the smelter. at actual weight at the carload rate.
- (d) To provide for the removal of livestock by rail from exhausted grazing grounds to new pastures on the ranches of the northwest, for subsequent reshipment to the market.
- (e) To permit a railway to carry fuel or other freight for its own employees at free or reduced rates. Such special rate notices need not be filed with the Board.
- (f) To provide for the movement of grain that may remain in country storehouses or elevators at the cleaning up of the season's business preparatory to the reception of the new crop, at carload rate and reduced minimum weight.

Not more than one such special rate shall be issued per annum

for each storehouse or elevator for each variety of grain.

These special rate notices except as provided in paragraph (e)shall be numbered consecutively and mailed to the Chief Traffic Officer as soon as issued,

They shall give reference to Rule No. 2 of the Board's Circular No. 223 and the particular section thereof under which issued; they shall also show the tariff rate, if any, that would have been charged in the absence of such notice, and shall exist merely for the purpose of giving effect to the rate to be charged for the specific shipment mentioned therein.

Special rate notices issued under section (a) of this rule shall show the C.R.C. number of the tariff or supplement in which the

rate will be published.

If not possible to give this information, a cancellation of the special rate notice shall be filed at the same time as the covering tariff or supplement, and such cancellation notice shall give reference by C.R.C. number to the tariff or supplement in which the rate is published.

3. Standard tariffs of maximum tolls must be filed in duplicate. Standard Except as otherwise provided herein, but one copy of other schedules Number of is required to be filed with the Board and should be addressed to the copies to Is required to be filed with the Board and should be addressed to the Chief Traffic Officer, Board of Railway Commissioners for Canada, be filed.

Postage free Ottawa, Ont. If mailed in Canada, and the envelope is plainly if mailed in marked "O.H.M.S.", no postage is required.

4. Competitive rates which, owing to the exigencies of competitive tion, are urgently required to be brought into immediate effect without previous notice to the Board, may be acted upon before filing with effective the Board, but the company must forthwith file a tariff containing without such rates together with a clear statement of the nature of the notice. exigency and the ground for so acting.

5. (a) A separate tariff may be filed under C.R.C. number con-Rules and taining rules and regulations which are to govern certain tariffs, and may be made rules and regulations may be made as to fill certain tariffs, and may be such rules and regulations may be made part of the rate tariff by the published in following reference:-

Governed, except as otherwise provided by rules and regulations published in C.R.C. No. , supplements thereto or reissues thereof.

Tardis containing rates for transportation of Explosives and other Dangerous Articles.

Joint tariffs applying from points on more than one railway.

Joint tariffs from points on Switching carriers.

Filing of joint tariffs. Canada to United States or between points in Canada through United States Filing of joint tariffs from points in the United States into Canada or between points in the United States through Canada. Official

Prepay stations and acceptance of traffic may be shown in

- (b) Tariffs containing rates for the transportation of Explosives and other dangerous articles shall contain a notice to the effect that they are governed by the regulations for the transportation of explosives and other dangerous articles, approved by the Board of Railway Commissioners for Canada, and shall give reference by C.R.C. number to the publication embodying these regulations.
- 6. Joint tariffs applying from points on more than one railway must be filed by each of the initial carriers under its own C.R.C. number, unless issued and filed by an agent under power of attorney.
- 7. Joint tariffs naming rates applying from points on a switching carrier of which such carrier receives a proportion which is not absorbed by the connecting carrier, must be filed by the switching carrier, or by an agent under power of attorney.
- 8. (a) Section 338 of the Railway Act requires the filing of joint tariffs applying from a point in Canada through a foreign country into Canada or from a point in Canada to a foreign country by the several companies. This is construed to permit filing by the initial Canadian carrier on behalf of itself and the "several companies" referred to in this section.
- (b) Section 339 requires the filing of joint tariffs applying from any point in a foreign country into Canada or from a foreign country through Canada into a foreign country by any continuous route operated by any two or more companies, whether Canadian or foreign. Such tariffs shall be filed by the issuing carrier or agent.
- 9. Each carrier shall publish and file in duplicate, under a C.R.C. number, size 8 by 11 inches, an "Official Distance Table," which shall contain the exact distance, extended not to exceed two decimal points, between its stations. Prepay stations shall be indicated by symbol and at points where either carloads or less than carloads are not accepted the information shall be shown. There shall also be shown the names of the points at which freight traffic may be interchanged with the lines of connecting carriers, the names of the carriers with which freight traffic may be interchanged at such points, whether carloads or less, or both, and the method of interchange (switch connection or cartage). If connection is made through an intermediate carrier it shall be so shown.

The Official Distance Table shall contain the following clause:—

In computing the distance governing traffic handled under mileage rates to unloading or from loading sidings not named herein, the mileage published to or from the nearest station or point thereto shall be used.

If so desired, the information as to prepay stations and/or acceptance of carload and less-than-carload traffic may be omitted from the official distance table and included in the official station list, provided the latter publication is filed with the Board and reference by C.R.C. number given thereto in filed tariffs.

Tariffs which contain mileage rates shall give reference by C.R.C.

number to the Official Distance Table.

Note.—This rule applies to both freight and passenger mileage. One list containing both freight and passenger mileage will be deemed

sufficient, but if both are included in one list, C.R.C. numbers shall be allotted in both the freight and passenger series and copies filed under separate filing advices.

10. Each earrier shall publish, with proper C.R.C. number, and List of Tariffs to file in duplicate, a complete list of tariffs naming it as an initial or be filed. forwarding carrier, which are in effect. Such list shall show. (a) C.R.C. number of each tariff; (b) name or initial of carrier or agent by whom tariff is issued; (c) brief description of the character of tariff (which should be done by using the term "class," "commodity," or "class and commodity." name of commodities as "Grain and Grain Products," "Iron and Steel Articles," etc.); (d) concise statement of the points between which tariff applies. Supplements to tariffs need not be included in this list. If any changes are made, the list shall be corrected to date either by reissue each month, or by supplementing each month, and reissue every twelve months.

Commodity tariffs shall be entered alphabetically according to the principal commodity, and those applying to different kinds of the same commodity shall be grouped together. For example:

"Lumber"—"Hardwood"; "Lumber"—"Fir"; etc.

11. (a) The act of mailing is not construed as filing. Schedules Statutory must reach Ottawa in time to give at least the statutory notice notice at (thirty days for advance three days for (thirty days for advance, three days for other changes), or such other notice as the Board may in special cases direct.

(b) Schedules which fail to give the statutory notice will be Rejection of Schedules. returned to the sender, marked "Rejected."

The C.R.C. number of the rejected schedule shall not again be used, and the substituted schedule shall show on the title page the following: "Issued in lieu of (reference here to the rejected schedule) rejected by the Board of Railway Commissioners for Canada."

(c) Through rates between points in the United States and Rejection of points in Canada published in tariffs filed with both the Interstate Interstate Interstate Commerce Commission and the Board of Railway Commissioners Commerce for Canada which are rejected by the Interstate Commerce Commis-Commission. sion will be marked as rejected in the Board's files and returned to person filing.

Issuing carrier or agent shall immediately notify the Chief Traffic Officer of the Board of such rejection.

12. Railway companies having general offices at Winnipeg or Telegraphic west thereof are authorized in cases of emergency only to notify the advice of changes in Board by telegraph of a proposed change in rates, provided-

freight rates

(a) That the new schedule be printed and publicly posted for cases from the full period required by the Act, namely, thirty days in the case carriers in distant of an advance, and three days for other changes;

territory.

- (b) That the telegram to the Board plainly state the changes proposed to be made in the rates, and the effective date thereof;
- (c) That the new tariff be mailed to the Board not later than the date of the publication; and
- (d) That a copy of the telegram be attached to the printed tariff filed with the Board.

Tariff of terminal charges. 13. Unless shown in individual tariffs affected thereby, each carrier shall publish, with proper C.R.C. numbers, and file separate tariffs which shall contain in clear, plain and specific form and terms. all the charges, such as switching, icing, storage, elevation, etc., together with all other charges and rules which in any way increase or decrease the amount to be paid on any shipment as stated in the tariff which contains the rate applicable to such shipment.

Where the charges as herein described are published in separate tariffs, reference thereto shall be made in individual tariffs contain-

ing rates affected thereby.

Cancelled tariff cannot be restored.

14. A tariff or supplement having once been cancelled cannot be restored. If it is desired to reinstate rates previously abrogated, they must be covered by an entirely new schedule.

Conflicting tariffs or supplements to be amended.

15. If a tariff or supplement to a tariff is issued, which conflicts with a part of another tariff or supplement to a tariff which is in force at the time, and which is not thereby cancelled in full, it shall specifically state the portions of such other tariffs which are thereby cancelled, and such other tariffs shall at once be correspondingly amended in the regular way. It will not be necessary to give in commodity tariffs or supplements, reference to class-rate tariffs that may be affected, nor to give in class-rate tariffs or supplements, reference to commodity tariffs.

Osncellation of tariffs.

16. Cancellation of a tariff also cancels all supplements thereto if in effect at the time.

A tariff may only be cancelled by a supplement to that tariff or by another tariff. Cancellation of one tariff by a supplement to another tariff will not be permitted.

When a tariff is cancelled, the cancellation notice shall show where the rate or rates will be found or what rate or rates will there-

after apply.

Number of supplements effective at one time.

Loose leaf

17. A tariff of four pages or less can have no supplement except for purpose of cancellation, and the following note shall be printed in the upper margin of such tariffs:—"No supplement will be issued to this tariff except for purpose of cancellation." Larger tariffs may have the following effective supplements:—Tariffs of 5 to 16 pages, one supplement; over 16 to 80 pages, two supplements; over 80 to 200 pages, three supplements; over 200 pages, four supplements.

Pages of loose leaf tariffs shall be printed on one side only, shall be consecutively numbered and designated as original page 1, original page 2, etc. Each page shall show at the top the name of the issuing carrier or agent, the C.R.C. number and the page number; at the bottom of the page shall be shown the date of issue, the effective date

and name of issuing officer or agent.

Changes in loose leaf tariffs shall be made by reprinting the page which shall be designated as "first revised page 1 cancels original page 1" or "second revised page 1 cancels first revised page 1" etc.

Suspension and Restoration of water solvice.

18. Tariffs containing rail-and-water rates applicable via routes upon which it is necessary to close navigation during a portion of each year, must provide for the discontinuance and restoration of service over such routes in the manner prescribed in sections (a) to (e) inclusive of this rule.

(a) The following notation shall appear on the title-page of the Notation on tariff:-

Transportation service in connection with.............(here insert name of water carrier or carriers specified in the tariff) is subject to discontinuance and restoration as indicated on page.....

(b) When definite dates for discontinuance and restoration of When definite sportation service for each season of payingstion connect by dates of transportation service for each season of navigation cannot be deter-service mined, the following rules must be published in the tariff under the cannot be heading of "Application of Rates."

Shipments will be accepted by carriers parties to this tariff during the period from.......(here show dates approximately thirty days prior to the first sailing from port of transhipment) to...... be accepted for transportation, under this tariff and effective supplements thereto, will be filed with the Board of Railway Commissioners for Canada and posted at points from which the rates apply not less than one day in advance of such date.

Note.—In applying the provisions of the preceding paragraph, the date upon which final instructions for transportation via the water line are received will be considered the date of acceptance of the shipment.

The dates for discontinuance and restoration of service as set Period of forth in this section shall be shown in bold face type.

(c) When definite dates for discontinuance and restoration of When transportation service for each season of navigation can be deter- of service mined, the following rule must be published in the tariff under the can be determined. heading of "Application of Rates":-

Shipments will be accepted by carriers parties to this tariff during the period from......(here show date approximately thirty days prior to the first sailing from port of transhipment) to..... (here show date which will allow sufficient time for shipment to reach the port of transhipment prior to the last sailing) of each year, for trans-effective supplements thereto).

No supplement will be issued to this tariff announcing the date of

discontinuance of transportation service.

Note.-In applying the provisions of the preceding paragraph the date on which final instructions for transportation via the water line are received will be considered the date of acceptance of the shipment.

The dates for discontinuance and restoration of service as set forth in this rule shall be shown in bold face type.

(d) Supplements announcing discontinuance of transportation Supplements service under this rule may be filed with the Board of Railway Com- may contain. missioners for Canada on not less than one day's notice by noting thereon reference to this rule. Only one such supplement shall be in effect at any time; it shall not contain other matter and may be issued without regard to the requirements of Rule 17.

(e) Tariffs containing rail-and-water rates may be reissued or Tariffs may amended at any time in the regular manner. Tariffs containing the be reissued. clause prescribed by section (b) of this rule which are made effective

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subsequent to the date of actual discontinuance of service must contain a statement that service was discontinued on..... as per supplement No..... to C.R.C. No...... (former tariff).

tariff not to be

19. A tariff having been filed, containing class rates only, it is not permissible to add commodity rates by means of a supplement thereto; likewise class rates shall not be added by supplement to a filed commodity tariff.

The above does not prohibit the filing of a tariff containing both class and commodity rates, but the nature of the tariff once filed shall not be changed by the filing of a supplement.

CR.C numbers to be given when not so filed.

20. Each carrier is required to file tariffs under C.R.C. numbers which are presumed to be used consecutively. Occasionally a tariff is received which does not bear the C.R.C. number next in numerical order to that borne by the last one filed. This is sometimes occasioned by the missing numbers having been assigned to a tariff which is in the course of preparation.

Request is made that in so far as possible, carriers will file tariffs in consecutive order of the C.R.C. numbers. If from any cause this is not done, the tariff that is filed with a C.R.C. number that is not consecutive with the last one filed, shall be accompanied

by an explanation of the omission in filing.

Power of Attorney te Agent and Alternate Agent.

21. (a) A carrier may, by power of attorney, authorize an agent to file certain tariffs and supplements thereto in its stead. Such authorization shall name an alternate agent to act in the event of the death or disability of the principal agent.

The power of attorney shall be in the following form, printed

on paper 8 by 10½ inches:-

P.A. No.... Cancels P.A. No.....

(Corporate name of carrier), (Post-office address),

...., 19....

KNOW ALL MEN BY THESE PRESENTS:

That the (corporate name of carrier) has made, constituted, and appointed, and by these presents does make, constitute, and appoint (name of principal agent appointed) its true and lawful attorney and agent for the said company, and in its name, place, and stead, to file freight rate schedules and supplements thereto, as required of common carriers by the Canadian Railway Act and by regulations established by the Board of Railway Commissioners for Canada thereunder, for the period of time, the traffic, and the territory now herein named:

And the said (corporate name of carrier) does hereby give and grant unto its said attorney and agent full power and authority to do and perform all and every act and thing above specified as fully, to all intents and purposes, as if the same were done and performed by the said company, hereby ratifying and confirming all that its said attorney and

agent may lawfully do by virtue hereof, and assuming full responsibility for the acts and neglects of its said attorney and agent hereunder.

And further, That the (corporate name of carrier) has made, constituted and appointed, and by these presents does make, constitute and appoint as alternate (name of alternative agent appointed) its true and lawful attorney and agent, for said Company and in its name, place and stead, in case and only in case of the death or disability of the said (here insert name of principal agent) to do and perform the same acts and exercise the same authority as hereinabove granted to (here insert

name of agent first hereinabove named).

In witness whereof the said cobe signed in its name by its	itssecretary, at
(Corporate Seal)	(Corporate name of carrier), By

(b) This form may also be used to authorize an agent to file Use of same freight classifications, by omitting the words "freight rate schedules" form of Power of and substituting the word "classification," or by adding the words Attorney for "and classification" if the agent files both tariffs and classification. classification.

- (c) At least one day before the date of filing of the first tariff Exercise of or supplement by the alternate agent under the authority granted Authority by in the third paragraph of the class for a granted Authority by in the third paragraph of the above form, such alternate agent must Agent. submit to the Board a sworn statement setting forth the reason or reasons which justify such exercise of authority. The term "disability" in the form means resignation, permanent transfer to other duties or other permanent absence of the principal agent, and does not mean temporary absence of the principal caused by vacation, illness or other cause. After an alternate agent has once exercised the authority granted by the form, the principal agent may not thereafter again exercise such authority under that form.
- (d) Transfer of authority from one agent and alternate to Transfer of another agent and alternate may be accomplished by filing a new from one power of attorney for the agent and alternate thereafter to serve, agent and which shall specifically cancel the previous power of attorney. In alternate to the event of the death or disability of either the principal or alter-agent and nate agent, new powers of attorney cancelling the effective powers of atternate. attorney shall be filed within 180 days, which shall name the principal and alternate agents thereafter to serve.

These new powers of attorney shall bear no effective date. They shall be forwarded to the new principal agent who, after he has secured all the necessary authorities, shall file the originals with the Board all at one time. Such powers of attorney will become effective upon the date they are so received by the Board.

(e) Joint tariffs applying from points on several railways may Power of be filed by one initial railway on behalf of other initial railways attorney to initial provided the filing railway is so authorized by power of attorney filing in the following form printed on paper 8 by 101 inches:-

C.R.C. Atty. No.

KNOW ALL MEN BY THESE PRESENTS:

That the (corporate name of company) has made, constituted and appointed, and by these presents does make, constitute and appoint the (name of filing company) its true and lawful attorney and agent, and in its name, place and stead, to file on its behalf as required by the Railway Act and the regulations of the Board of Railway Commissioners for Canada, joint tariffs and supplements thereto applying from points

⁽¹⁾ If it is desired to limit the application of Power of Attorney to certain tariffs or territory, information should be given in the blank spaces provided. If not limited, the words: "except as indicated herein"—should be scored out.

And the said	
company does hereby give	and grant to its said attorney and agent, itil
Company does hereby gard	o and perform all and every act and thing
power and authority to d	and perform an and every det the
above specified as fully to	all intents and purposes as if the same were
dans and wanformed by the	said company, hereby ratifying and confirming
done and performed by one	lawfully do by virtue hereof
all that its said agent and	I attorney may lawfully do by virtue hereof
and assuming full respons	ibility for the acts and neglects of its said
alle assert boyour	dor
attorney and agent hereun	uer.
n n	The
	(name of carrier)
I	3y
	(itsPresident)

Attest:

Secretary

Revocation of Powers of Attorney. (f) Powers of attorney shall continue in force until revoked by formal and official notice of revocation placed in the hands of the Board of Railway Commissioners for Canada at Ottawa, at least sixty days before the said notice shall become effective.

Each carrier must file power of attorney. (g) If two or more carriers appoint the same person as agent for the filing of tariffs and supplements thereto, each of them will be required to file with the Board power of attorney, in the form prescribed, appointing him their agent.

Billing instructions issued by agents.

(h) An agent who issues fast freight line billing instructions, which are, by reference, made part of the carrier's tariff, stands in the same light and position as an agent who issues tariffs, and the same authority to act will be required.

Agent to file under his own C.R.C. (i) Such joint agent, duly authorized to act for several carriers, shall file joint tariffs under consecutive C.R.C. serial numbers of his own.

Names of carriers and P.A. number to be shown in agents tariff (j) Agents publishing tariffs under power of attorney shall include therein the names of the carriers for whom they act, together with the number of the power of attorney on file with the Board.

Concurrence in joint tariffs.

22. (a) Joint tariffs and supplements thereto shall be filed with the Board by the proper officer of the initial carrier, or by a duly appointed agent, and concurrence, as per forms herein prescribed, of every other Canadian carrier participating in such joint tariffs or supplements thereto covering traffic which is to pass over any continuous route in Canada, or between points in Canada through the United States, shall be filed with the Board.

Concurrence not require, in certain to all tariffs (b) Notice of concurrence is not required in international tariffs, tariffs applying from a foreign country through Canada to a foreign country, nor from foreign carriers in tariffs applying from Canada through a foreign country to a point in Canada.

(c) One or other of the following forms may be used in notifying the Board of assent to, and concurrence in, joint tariffs or supplements thereto, applicable between points in Canada, which are filed by an initial carrier or agent, and to which the carrier giving assent and concurrence has been made a party. These concurrence forms shall be printed on paper ten and one-half (10½) inches long by eight (8) inches wide and mailed to the Chief Traffic Officer of the Board.

"SPECIFIC CONCURRENCE CERTIFICATE" (Name of concurring carrier in full)Department (Place and date).... No. C.C. (From No. 1 progressively). The Board of Railway Commissioners for Canada. This is to certify that the (name of concurring carrier in full) assents to, and concurs in, the publication and filing of the tariff or supplement described below, and hereby makes itself a party thereto and bound (Full title and C.R.C. number of schedule concurred in.) "LIMITED CONCURRENCE CERTIFICATE" (Name of concurring carrier in full)Department (Place and date).... No. L.C. (From No. 1 progressively). The Board of Railway Commissioners for Canada. This is to certify that the (name of concurring carrier in full) assents to, and concurs in, joint tariffs and supplements thereto that may hereafter be published and filed by the (name of carrier in full), in which this company is named as a participant, in so far as such schedules contain rates or regulations which apply within Canada, via this company's line to (not from), except as indicated herein and hereby makes itself a party thereto and bound thereby. "GENERAL CONCURRENCE CERTIFICATE" (Name of concurring carrier in full)Department (Place and date).... No. G.C. (From No. 1 progressively). No. G.C. (From No. 1 progressively).

The Board of Railway Commissioners for Canada.

This is to certify that the (name of concurring carrier in full) assents to, and concurs in, joint tariffs and supplements thereto that may hereafter be published and filed by the (name of carrier or agent in full). in which this company is named as a participant, in so far as such schedules contain rates or regulations which apply within Canada, to or via (not from) this company's points, and hereby makes itself a party thereby and heaved thereby. thereto and bound thereby. (d) The "Specific" Concurrence Certificate shall be signed with Signing and

the name and title of the official of the concurring carrier appointed specific by by-law of the company to prepare and issue tariffs.

When "Specific" Concurrence Certificates are used, three copies shall be made by the concurring carrier, one marked "original," one "duplicate," and one marked "triplicate," and forwarded to the carrier who issues the tariff. The latter carrier will then file with the Board the three copies, together with the tariff to which they refer, and the duplicate will be stamped and returned to the concurring carrier, and the triplicate to the carrier issuing the tariff, as a receipt.

(e) The "Limited" and "General" Concurrence Certificates Signing of General and shall be signed in person by the official of the concurring carrier Limited appointed by by-law to prepare and issue tariffs.

Reference to concurrence to be shown in joint tariffs.

(f) The company or agent which prepares and issues the joint schedule shall show therein, in small type against the name of each of the concurring companies, the "C.C.", "L.C.", or "G.C." number as the case may be, of the certificate of concurrence of such company in such joint schedule.

Filing of Limited and General concurrence. (g) Two copies of "Limited" and "General" certificates of concurrence shall be filed with the Board, one marked "duplicate" to be stamped with the date of receipt by the Board and returned to the sender.

Revocation of Limited or General (h) "Limited" or "General" concurrence may be revoked by filing revocation notice with the Board, and with the agent or carrier in whose favour it was issued.

The revocation notice filed with the Board shall be accompanied by a letter setting out in full detail the reasons for such revocation. Such notice shall specify the form and number of the concurrence to be revoked, the name of the agent or carrier in whose favour it was issued and the effective date thereof, which date shall not be less than sixty (60) days subsequent to its receipt by the Board.

If it is desired to continue in effect any schedule issued under the concurrence to be revoked, individual concurrence therefor shall be filed prior to the effective date of the revocation of the "Limited"

or "General" concurrence.

Changes in rates to be indicated by symbols.

- 23. All freight tariffs and supplements thereto issued by railway companies in Canada shall indicate changes thereby made in existing rates or charges, rules, regulations or practices by the use of the following symbols, which shall be used for no other purpose:—
 - to denote increases.
 - to denote reductions.
 - ▼ to denote changes in wording which result in neither increase nor reductions in charges.
 - □ to denote reissued matter.

Explanation of such symbols must be published in the tariff or

supplement in which used.

When a change of the same character is made in all, or substantially all, rates in a tariff or supplement, or a page thereof, that fact and the nature of such change may be indicated in distinctive type at the top of the title page of such issue, or at the top of each page, respectively, in the following manner: "All rates in this issue are increases," or "All rates on this page are reductions, except as otherwise indicated." In the latter case, a bold face dot "•" shall be used to symbolize a rate in which no change is made.

Commodity tariffs with minimum weight greater than classification weight, 24. If the total charge per car under a commodity rate and specified minimum weight exceeds the charge per car under the class tariff and classification minimum weight, the tariff shall carry a notation that the class rate and actual weight (subject to classification minimum) will apply, if lower.

Commodity rates specific, 25. Commodity descriptions must be explicit, so as to leave no room for supposition or analogy.

Competitive rates to be indicated.

26. A schedule containing both competitive and non-competitive rates must indicate the competitive rates by reference mark and note.

27. (Effective January 10, 1930.) Routing shall be shown in Routing to be connection with all joint rates.

connection with all joint rates.

This routing may be published in the tariff containing the rates, General or in a separate publication designated "Routing Guide," provided routing or in a separate publication designated. Routing Guide, provided the rate tariff gives specific reference to the "Routing Guide" by page of tariff. C.R.C. number.

The routing guide shall be filed under a C.R.C. number by a Emergency carrier or agent and be concurred in by all Canadian carriers over charge whose lines routes are provided therein whose lines routes are provided therein.

in tariff.

The following notation shall be shown on the title page:-

The routes provided herein may be used only in connection with rates made subject thereto by specific C.R.C. reference to this guide, in tariffs containing such rates. Its use in connection with any tariff is restricted to the carriers and to the application provided in such tariff.

If desired, the following tariff provision may be incorporated under the heading "Routing Instructions" in rate tariffs:-

The rates named in this tariff will apply only via the routes and junction points authorized herein except that when in the ease of pronounced traffic congestion (not an embargo), washout, wreck, or other similar emergency, or through carriers error, carriers forward shipments via other junction points of the same carriers or via the lines of other carriers parties to the tariff, the rate to apply will be that specified in this tariff but not higher than the rate applicable via the route of movement.

Note.—If desired, the words "or via the lines of other carriers parties to the tariff" may be omitted from the emergency routing clause.

When a tariff contains both local and joint rates and it is not Routing in tariffs conintended that local rates to competitive points are to apply via joint taining both routes, the fact shall be plainly stated in the tariff.

local and

28. New rates issued to cover newly constructed lines may be Rates for made effective on one day's notice; all other new rates shall give the newly connotice required by the Act or as authorized by the Board.

lines-one

29. Schedules issued to give effect to judgments or orders of the Schedules Board shall give reference to the number and date of the order or issued to date of the judgment as follows:-

30. (a) A consolidating supplement which brings forward re- Consolidating issued matter without change, from a former supplement, must bear supplements. the notation:

Effective except as otherwise provided herein.

(b) Reissued matter brought forward without change, must Reissued show in a conspicuous form and convenient manner the following: - without

Reissued (in black type): effective (date on which item became change. effective) in supplement No.

or where necessary reissued matter may be indicated by the symbol | and explanatory note.

Number of effective supplements to be shown on title page. Freight rates to remain in force at least 30 days. Freight

rates expiring by limitation. Supplement

Supplement to freight tariff which is to be cancelled.

- (c) Each supplement subsequent to the first supplement to a tariff shall show on the title page thereof the numbers of the supplements which are in effect.
 - 31. (a) Except under authority of the Board no freight rate may be increased until it has been in force at least thirty days.
 - (b) Freight rates may be issued to expire on a named date, but such date must not be less than thirty days after the effective date
 - (c) If a tariff is filed on statutory notice, cancelling another tariff, and after such filing and prior to the effective date of the new tariff, a supplement to the tariff to be cancelled should be lawfully issued, rates in such supplement could not be continued in effect for thirty days for the reason that cancellation of a tariff also cancels supplements thereto.

In such cases supplements containing changes not included in the tariff that is to become effective shall be issued to both tariffs, shall contain no other matter than the rates sought to be made effective, and will be exempted from the provisions of rule 17.

Intermediate point rule within Canada. 32. (a) Tariffs issued between specific points in Canada containing rates which are not competitive under Section 329, subsection 4, of the Railway Act, shall contain the following clause:—

The rates named herein unless specifically indicated as competitive, are maximum rates and must not be exceeded in the same direction from or to any intermediate points in the direct line of transit.

From Canada to United States. (b) Tariffs naming rates from points in Canada to points in the United States shall contain a rule to the effect that such rates, unless specifically indicated as competitive, must not be exceeded from intermediate points in Canada.

From United States to Canada. (c) Tariffs naming rates from points in the United States to points in Canada shall contain a rule to the effect that such rates, unless specifically indicated as being competitive, must not be exceeded to intermediate points in Canada.

33. The title page of every freight tariff shall show:—

- Title page to show. C.R.C. munber and cancellation.
- (a) C.R.C. number of tariff in bold type in prominent position in upper margin, and immediately thereunder, in smaller type, the C.R.C. number or numbers of tariffs and supplements cancelled thereby. If, however, the number of cancelled tariffs is so large as to render it impracticable to thus enter them on the title page, they may be shown on the following page, but specific reference to such list shall be entered on title page in connection with the number of the tariff. Railways may place the railway number of the tariff in any place suitable to them. Separate serial numbers shall be used for freight and passenger tariffs.

Names o carriers.

(b) Name of the issuing or initial carrier, carriers, or agent, and immediately thereunder the name of other participating carriers. If the list of participating carriers exceeds ten in number or it is inconvenient to show the names on the title page, they may be shown elsewhere in the tariff, provided a note on the title page gives reference to the page on which such list will be found.

- (c) Reason for issue of schedule, thus "Increase", "Reduction", Reason for "New Rate", "No Change in Rates", etc.
- (d) Whether tariff is standard, special (local or joint), or com- Kind of tariff. petitive (local or joint).
- (e) The traffic and the territory or points from and to which Territory. the tariff applies, briefly stated.
- (f) Reference by name of the Classification governing the tariff Classification or exceptions, if any.
- (g) Date of issue and date effective.

Dates.

- (h) Name, title and address of the officer authorized by by- Names of law to prepare and issue tariffs of tolls, or authorized agent. proper officers.
- 34. Tariffs shall contain:
- (a) An alphabetically arranged and complete index of all com- Index of modities upon which commodity rates are shown. If the commodities. tariff contains so small a volume of matter that its title page or its interior arrangement plainly discloses its contents the table of contents may be omitted.

All of the items relating to different kinds or species of the same Contents commodity will be grouped together. For example, all items of of tariff. coal should be under "Coal", and descriptive word or words to follow, as "Coal"—"Anthracite"; "Coal"—"Bituminous", etc.

(b) Alphabetically arranged and complete index of stations from Station index. which the tariff applies, and alphabetically arranged and complete index of stations to which the tariff applies. If the list contains stations in different provinces or states; the name of the province or state must be shown with the name of station.

Traffic territorial or group descriptions may be used to designate points to or from which rates named in the tariff apply, provided a complete list of such points arranged by traffic territory or group is printed in the tariff, or specific reference is given to the C.R.C. number of the issue that contains such list.

In this list the stations in each territorial group or description shall be arranged alphabetically, and the name or names of road upon which stations are located will be shown; or all of the stations in traffic territory or groups named in the tariff may be included in one alphabetical index, provided that the name or names of the road upon which stations are located and the traffic territorial or group description in which they belong are shown opposite the several stations.

- (c) Explanation of reference marks or technical abbreviations Explanation used in the tariff, which shall, if possible, be shown at the of referfoot of the page in which such marks or technical abbreviations appear. If not so shown, reference shall be given to the page in which the explanation is published.
- (d) Such explanatory statement in clear and explicit terms Explanatory regarding the rates and rules contained in the tariff as may statements. be necessary to remove all doubt as to their proper application.
- (e) Rules and Regulations which govern the tariff. Under this Rules-governhead, all of the rules, regulations, or conditions which in any ing tariff. way affect the rates named in the tariff shall be entered,

except that a special rule applying to a particular rate shall be shown in connection with and on the same page with such rate, or particular reference made thereto in the station index.

No rule authorizing substitution (f) No rule or regulation shall be included which, in any way, or in any terms, authorizes substituting for any rate named in the tariff, a rate found in any other tariff or made up on any combination or plan other that that clearly stated in specific terms in the tariff of which the rule and regulation is a part.

Simple arrangement.

(g) The rates explicitly stated, together with the names or designation of the places from and to which they apply, all arranged in a simple and systematic manner. Complicated manner of arrangement or ambiguous terms must be avoided.

Routes

(h) The different routes via which tariff applies unless shown in "Routing Guide" to which reference by C.R.C. number is given.

Common points. (i) The term "Common points" shall not be used in any tariff for the purpose of indicating the points from or to which rates named therein apply, unless a full list of such points is printed in the tariff, or specific reference is given to the C.R.C. number of the issue that contains such list.

No general terms to cover commodities unless list published. (j) The terms "Grain Products", "Forest Products", or similar terms must not be used in any tariff for the purpose of indicating the articles to which the rates apply, unless a full list of the articles intended to be included in, and covered by such terms, is printed in the tariff, or specific reference is given to the C.R.C. number of issue that contains such list.

Advice of freight steellange

- 35. Railways subject to the jurisdiction of the Board, or properly authorized agents of such railways, shall file in triplicate with each separate tariff or supplement which changes rates or regulations, a statement (suggested form appendix "B") giving the following information:—
 - (a) The C.R.C. number of the tariff or supplement number thereto;
 - (b) The effective date;
 - (c) The commodity affected (if published under an item number, proper reference thereto to be given);
 - (d) The points from, to or between which the rates apply;
 - (e) Present and proposed rates in cents;
 - (f) A concise statement of reasons for the change, which shall be sufficiently explicit to enable the Board to arrive at an intelligent understanding thereof.

If changes are made in regularly scaled class tariffs, a statement of the increase or decrease in the first-class rate will be sufficient.

If there is a general revision of class rates, such as those resulting from consolidation of railways, shortening of line, new routes, etc., a general statement will be sufficient.

These statements (size 8 by 11 inches) shall be headed "Freight Rate Changes", and be numbered consecutively in the upper right hand corner.

RULES AND REGULATIONS GOVERNING THE CONSTRUC-TION AND FILING OF PASSENGER RATE SCHEDULES

The term "Local Fare," as used herein, is construed to mean a fare that extends over the line of one carrier only.

Local tariffs are those which contain "Local Fares."

The term "Joint Fare," as used herein, is construed to mean a fare that extends over the line of two or more carriers, and that is made by arrangement or agreement between such carriers as evidenced by "Concurrence" or "Power of Attorney."

Joint tariffs are those which contain "Joint Fares."

The term "Through Fare" is constued to mean the total fare from point of origin to destination. It may be a local fare; a joint fare; or a combination of separately established fares.

36. Tariffs and Supplements must be of uniform size, namely, Size of eight (8) inches wide by eleven (11) inches long, and be consecutively numbered with the prefix "C.R.C." in the upper margin of title page.

When filed with the Board they shall be accompanied by a filing Numbering advice in duplicate, (see appendix "A") consecutively numbered and tariffs. containing a description of the tariffs or supplements covered thereby. The original advice will be retained, and the duplicate stamped with date of receipt and returned.

Typewritten or mimeographed copies of tariffs and supplements Filing will not be accepted unless they are clear and legible in all respects.

37. Standard tariffs of maximum tolls must be filed in duplicate. Standard Except as otherwise provided herein, but one copy of other schedules tariffs. Number of is required to be filed with the Board and shall be addressed to the tariffs to Chief Traffic Officer, Board of Railway Commissioners for Canada, be filed. Ottawa, Ont. If mailed in Canada, and the envelope is plainly Postage marked "O.H.M.S.", no postage is required.

38. In order to avoid the necessity, when actual working tariffs Standard are filed as standard tariffs, of having any and all changes approved lassenger by the Board and subsequently published in the Canada Gazette, it is suggested that the maximum basis of rate per mile be filed with the Board as the standard tariff under a C.R.C. number, and the working tariffs filed as special tariffs.

39. (a) Foreign railway companies not owning, controlling or Filing operating lines of railways in Canada shall not be required to file pas-tariffs by senger tariffs with the Board.

foreign

- (b) Foreign railway companies owning, controlling or operating lines of railways in Canada, shall file passenger tariffs with the Board specifying the fares from points in the United States to destinations in Canada, or from points in Canada to destinations in the United States or other foreign countries, but shall not be required to file passenger tariffs specifying the fares to be charged between points in the United States or other foreign countries applying through Canada.
- 40. If conductors' passenger tariffs are printed which cover the Conductor's same fares that are in an agent's tariff for the same territory, either tariff. with or without ten cents added, they need not be filed, provided the agent's tariff containing the fares has been filed.

Milk

41. Tariffs for transportation of milk by passenger trains shall be designated "Special Tariff for Milk by Passenger Trains."

Sleeping and parlour Car tariffs. 42. Sleeping and parlour car tolls shall be published in a separate tariff and filed under a separate series of C.R.C. numbers with the prefix "S".

Energency excursion or other passenger traffic. 43. Railways are occasionally offered excursion or other special passenger traffic which, if accepted, must be moved immediately or on less than three days' notice required by the Railway Act, for filing the necessary specific tariffs.

In order to facilitate the movement of such traffic, the railways are permitted to make application by telegraph or telephone to the Chief Traffic Officer for permission to file such tariffs on less than

statutory notice.

Railways which file schedules showing fixed fares for excursions, conventions, etc., to be charged upon notice, may be excursions, conventions, etc., limited to not more than ten days from first selling date to final return limit, act immediately upon notice, under C.R.C. number, being filed at the stations from which tickets are to be sold, provided copy of such notice is at the same time mailed to the Chief Traffic Officer of the Board.

Terms for excursion fares.

Joint tariffs applying from points on more than one railway must be filed by each of the initial carriers under its own C.R.C. number, unless issued and filed by an agent under power of attorney.

46. Each carrier shall publish and file in duplicate, under a C.R.C. number, size 8 by 11 inches, an Official Distance Table, which shall contain the exact distance, extended to not more than two decimal points, between its stations, and shall contain a note to the effect that same is to be used in constructing fares based on mileage.

List of tariffs.

Distance

- 47. Each carrier shall publish and file in duplicate, under a C.R.C. number, a complete list of tariffs naming it as an initial or forwarding carrier which are in effect. Such list shall show
 - (a) the C.R.C. number of each tariff;
 - (b) name of initial carrier or agent by whom issued;
 - (c) brief description of the application and character of the tariff.

This list may be arranged in any manner desired by the carrier, but must be accompanied by a complete alphabetical index showing the tariff number (railway or C.R.C.) and the page number upon which is shown the description of the tariff.

In this index there shall be shown under the caption "Fares, regular," all of the tariffs containing local, interdivision, interline,

and steamship regular fares.

Concurrence in joint tariffs in Canada.

48. (a) Joint tariffs and supplements thereto shall be filed with the Board by proper officer of the initial carrier, or by an agent designated to perform that duty, and concurrence, as per forms herein prescribed, of every other Canadian carrier participating in such joint tariffs and supplements thereto covering traffic which is to pass over any continuous route in Canada, must be filed with the Board.

(b) Notice of concurrence is not required in international tariffs, No contariffs applying from a foreign country through Canada into a foreign currence in intercountry, nor from foreign carriers in tariffs applying from Canada national through a foreign country into Canada.

(c) One or other of the following forms of concurrence certificate Use and may be used in notifying the Board of assent to and concurrence in size of joint tariffs, or supplements thereto, applicable between points in forms. Canada, which have been published and filed by any initial carrier or agent, and to which the carrier giving assent and concurrence has been made a party. The certificate shall be printed on paper ten and one-half inches long by eight inches wide and mailed to the

Chief Traffic Officer of the Board.	
(d) "Specific Concurrence Certificate" (Name of concurring carrier in full) "	+
(Place and date) The Board of Railway Commissioners for Canada. This is to certify that the (name of concurring carrier in full) assents to, and concurs in, the publication and filing of the joint schedules described below, and hereby makes itself a party thereto and bound thereby:—	Specific or Individual concurrence form.
(Full title and C.R.C. number of schedule concurred in). Date effective	
Issued by	
(e) "Limited Concurrence Certificate"	
(Name of concurring carrier in full)	
(Name of concurring carrier in full)	
(Name of concurring carrier in full) "	Limited
(Name of concurring carrier in full) "	Limited concurrence form.
(Name of concurring carrier in full) "	Limited concurrence
(Name of concurring carrier in full) "	Limited concurrence form.
(Name of concurring carrier in full) "	Limited concurrence form.
(Name of concurring carrier in full) "	Limited concurrence form.
(Name of concurring carrier in full) "	Limited concurrence form.
(Name of concurring carrier in full) "	Limited concurrence form.

(f) "GENERAL CONCURRENCE CERTIFICATE" (Name of concurring carrier in full)

and hereby makes itself a party thereto and bound thereby.

concurrence No. G.C. (From No. 1 progressively).

The Board of Railway Commissioners for Canada.

This is to certify that the (name of concurring carrier in full) assents to, and concurs in, all joint tariffs and supplements thereto that may hereafter be published and filed by the (name of carrier or agent in full), in which this company is named as a participant,

Specific

in so far as such schedules contain rates or regulations which apply within Canada, to or via (not from) this company's points, and hereby makes itself a party thereto and bound thereby.

(g) The "Specific" Concurrence Certificate shall be signed with the name and title of the official of the concurring carrier appointed

by by-law of the company to prepare and issue tariffs.

(h) When "Specific" Concurrence Certificates are used three copies must be made by the concurring carrier, one marked "original," one "duplicate," and one marked "triplicate," and forwarded to the carrier who issues the tariff. The latter carrier will then file with the Board the three copies together with the tariff to which they refer. and the duplicate will be stamped and returned to the concurring carrier, and the triplicate to the carrier issuing the tariff, as a receipt.

(i) Certain passenger tariffs are filed from Winnipeg, the specific certificates for which are filed from Montreal. In such cases the certificate may be filed prior to the tariff but must be accompanied

by letter of explanation.

The "Limited" and "General" Concurrence Certificates shall be signed in person by the official of the concurring carrier appointed

by by-law to prepare and issue tariffs.

(i) The company or agent which prepares and issues the joint schedule shall show therein, in small type against the name of each of the concurring companies, the "C.C.," "L.C.," or "G.C.," number as the case may be, of the certificate of concurrence of such company in such joint schedule.

(k) Two copies of "Limited" and "General" certificates of concurrence shall be filed with the Board, one marked "duplicate" to be stamped with the date of receipt by the Board and returned

to the sender.

(l) "Limited" or "General" concurrence may be revoked by filing revocation notice with the Board, and with the agent or carrier in whose favour it was issued.

The revocation notice filed with the Board shall be accompanied by a letter setting out in full detail the reasons for such revocation. Such notice shall specify the form and number of the concurrence to be revoked, the name of agent or carrier in whose favour it was issued, and the effective date thereof, which date shall not be less than sixty (60) days subsequent to its receipt by the Board.

If it is desired to continue in effect any schedule issued under the concurrence to be revoked, individual concurrences therefor shall be filed prior to the effective date of the revocation of the "limited" or

"General" concurrence.

49. (a) If a carrier authorizes an agent to file its tariffs and supplements thereto, or certain of them, official notice of such authorization and of acceptance of responsibility by the carrier for the acts of such agent in the consecutively numbered form as hereinafter specified, must be filed with the Board:-

C.R.C. P.A. No..... (b)......Company.

KNOW ALL MEN BY THESE PRESENTS:

That the......Company has made, constituted and appointed, and by these presents does make.

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Revocation of

to Orders

constitute and appoint its true and lawful attorney, and in its name, place and steertain tariffs of tolls, to wit (here describe the particular limited, or particular territory, for which tariffs are to be and supplements thereto, as required of railway companied. Railway Act of the Dominion of Canada, and by the Resolution of the Board of Railway Commissioners for Canada, and company does hereby give and grant to its said attorney at full power and authority to do and perform all and every thing above specified as fully to all intents and purposes same were done and performed by the said company, herelying and confirming all that its said agent and attorney may do by virtue thereof, and assuming full responsibility for and neglects of its said attorney and agent hereunder.	e issued), es by the egulations and the and agent act and as if the by ratify- lawfully the acts
The(Name of carrier)	
Attest: By (ItsPresident)	
Attest.	
Secretary.	
Dated at	
thisday of	
(c) Powers of attorney shall continue in force until revolution formal and official notice of revocation placed in the hand Board of Railway Commissioners for Canada at Ottawa, thirty days before said notice shall become effective. Powers of attorney may also be cancelled by issue of ne of attorney upon thirty days' notice.	s of the power of at least attorney.
(d) If two or more carriers appoint the same person a	os norant Pausa d
for the filing of tariffs and supplements thereto, each of then required to file with the Board power of attorney, in the for scribed, appointing him their agent, and the concurrence of other carrier participating in any tariff or supplement theret is filed by him shall be on file with the Board.	n will be attorney by each carrier.
(e) Such joint agent, duly authorized to act for several shall file joint tariffs under consecutice C.R.C. serial number own.	carriers, Agents to s of his file under own number.
(f) Agents publishing tariffs under power of attorney s clude therein the names of the carriers for whom they act with the P.A. number of the power of attorney on file with the	hall in-Reference to together attorney Board, to be shown in tariffs.
50. Schedules issued to give effect to judgments or orders Board shall give reference to the number and date of the codate of the judgment as follows:—	order or schedules issued to order to Orders

"Issued in compliance with Order of the Board of Railway Judgments.

13756—11

C.R.C. numbers to be consecutive; advice to be given when not so filed. 51. Each carrier is required to file tariffs under C.R.C. numbers which are presumed to be used consecutively. Occasionally a tariff is received which does not bear the C.R.C. number next in numerical order to that borne by the last one filed. This is sometimes occasioned by the missing numbers having been assigned to a tariff which is in the course of preparation.

Request is made that in so far as possible, carriers will file tariffs in consecutive order of the C.R.C. numbers. If from any cause this is not done, the tariff that is filed with a C.R.C. number that is not consecutive with the last one filed, shall be accompanied

by an explanation of the omission in filing.

Changes in rates to be indicated by symbol.

52. Tariffs issued by railways in Canada shall indicate advances by the symbol "A" and reductions by the symbol "R," with necessary explanatory note, in the following manner, namely:—

1. In schedules which show the fares opposite the stations:-

The proper symbol to be shown against each fare, or each rule or regulation, changed.

2. In schedules in which the fares appear in a table separated from

the station list:-

(a) Unless the station groupings have been varied relatively to their fares; the proper symbol to be shown in the fare table in the manner prescribed in section 1 hereof.

(b) If the station groupings have been varied relatively to their fares; the proper symbol to be shown against the reference on the station page to the fare table, and against each rule or regulation changed.

If the columns of fares are so close together as to leave insufficient space for the symbols, and in such cases only, increases shall be printed in full-face type, and the reductions in italics, with the necessary explanatory note.

If ninety per cent or over of the fares on a page are advanced or reduced, symbols may be omitted provided the changes are clearly indicated on the page, for example: "All fares on this page are advances"; "All fares on this page are advances, except as other-

wise indicated," etc.

If it is found impracticable to indicate changes in schedules by the methods herein prescribed, application accompanied by full explanation may be made to the Board for permission to waive the above

requirement.

Head line and side line points. 53. In naming fares in local passenger tariffs, points shall be arranged geographically, and the points on main line shall appear first in order, followed by points on branch lines diverging from main line and other branch line points by a rule. Points shown at the top of column of fares will be known as "head-line points," and each column will be designated by a letter or number, or, if necessary, by a combination of two letters. Points shown at the side of the columns of fares will be known as "side-line points," and will be numbered consecutively. The alphabetical index of stations provided for will show the location of fares to or from each station by headline letters or numbers and side-line numbers.

Basing and proportional fares.

54. A carrier may apply through ticket fares to or from stations, to or from which no joint fare is published, by using lawfully published bases, locals or proportionals in connection with other lawfully published tariffs. Tariffs containing basing fares must specify clearly the extent and manner of their use, and tariffs that are specially intended for use in connection with published basing fares must show the C.R.C. number of tariffs in which bases can be found.

- 55. The term "Common points" shall not be used in any tariff Term common for the purpose of indicating the points from or to which fares named to be used therein apply, unless a full list of such points is printed in the tariff, unless list or specific reference is given to the C.R.C. number of the issue that published. contains such list.
- 56. If a tariff or supplement to a tariff is issued which conflicts Cancellation with a part of any other tariff or supplement to a tariff which is in of conflicting force at the time, and which is not thought appealed in full it. I like tariffs or force at the time, and which is not thereby cancelled in full, it shall fares. specifically state the portions of such other tariff which is thereby cancelled, and such other tariff shall at once be correspondingly amended in the regular way.
- 57. If a tariff is cancelled with the purpose of applying in lieu Cancellation notice to thereof the fares shown in some other tariff, the cancellation notice show where shall make specific reference to the C.R.C. number of tariff in which fare will such fares will thereafter be found. Cancellation of a tariff also thereafter be found. cancels supplements to such tariff, if any in effect. If a tariff is cancelled by the issuance of a similar tariff to take its place, cancellation notice should not be given by supplement, but by notice printed in the new tariff.
- 58. Supplements to a tariff shall be numbered consecutively, Consecutive there shall be in affect at no time many than two supplements in umbering and there shall be in effect at no time more than two suplements of supplements to any tariff.

59. A tariff or supplement having once been cancelled cannot Cancelled be restored. If it is desired to reinstate fares previously abrogated, tariff cannot they must be covered by an entirely new schedule. they must be covered by an entirely new schedule.

60. The title page of every passenger tariff shall show:-

Title page to show.

(a) C.R.C. number of tariff in bold type in prominent position C.R.C. in upper margin, and immediately thereunder, in smaller type, the number and C.R.C. number or numbers of tariffs and supplements cancelled cancellations. C.R.C. number or numbers of tariffs and supplements cancelled thereby. If, however, the number of cancelled tariffs is so large as to render it impracticable to thus enter them, they may be shown on the following page, but specific reference to such list must be entered on title page in connection with the number of the tariff. Railways may place the railway number of the tariff in any place suitable to them. Separate serial C.R.C. numbers will be used for freight and passenger tariffs.

(b) Name of issuing or initial carrier, carriers, or agent, and Names of immediately thereunder the names of other participating carriers.

Note.—On international joint tariffs, it will be sufficient to show the names of the Canadian carriers, and directly under the words: "And connecting lines in the United States."

(c) Reason for issue of schedule, thus "Advance," "Reduc-Reason for issue, "Now Fares," "No change in fares," etc. tion," "New Fares," "No change in fares," etc.

(d) Whether tariff is Standard or Special (local or joint). Kind of

(e) The territory or points from and to which the tariff applies, Territory, briefly stated.

(f) Date of issue and date effective. Also date of limitation effective Issue and . if any.

(g) Name, title and address of officer authorized by by-law to Name of prepare and issue tariffs of tolls, or authorized agent. proper officer. 13756-112

		APPENDL	X "A"			
		(Name of R	ailway)			
	Т	RAFFIC DEP.			10	
Dear Si	raffic Officer, Commission for tawa, Canada.	Canada,	r equiren	(Place and	l date) le Railwa	y Act, I
ran-mit bere	with, for filing wi	ith the Com	mission,	copies of t	ariffs as f	ollows:—
Supplement Number	Tariff C.R.C. Number	Dat Taking e		Description		And the second s
·					 Vame)	
					(Title)	
		APPENDI	B			
					No.	
(1	Name of Railway)			19	9
				(Place and	d date)	
		EIGHT RATE			ST.	
Date Effective	ve					
					Rate	
Item No.	Commodity	From	rom To		Present	Proposed
Reason	for change					
				(2	Name)	
					(Title)	

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GENERAL ORDER No. 480

In the matter of the application of the Brotherhood of Locomotive Engineers regarding regulations prescribed under Section 298 of the Railway Act, and Rules Nos. 16 and 25 of the General Train and Interlocking Rules, approved under General Order No. 42, dated July 12, 1909.

File No. 4135.122

WEDNESDAY, the 21st day of August, A.D. 1929.

THOMAS VIEN, K.C., Deputy Chief Commissioner. C. LAWRENCE, Commissioner.

Upon hearing the matter at the sittings of the Board held in Toronto, November 15, 1928, in the presence of Counsel for and representatives of the Michigan Central Railroad Company and the Brotherhood of Locomotive Engineers, and what was alleged; and upon the report and recommendation of the Chief Operating Officer of the Board—

And whereas section 298 (1) (a) of the Railway Act provides that-

(1) Every railway company shall provide and cause to be used on all trains modern and efficient apparatus, appliances and means,—

(a) to provide immediate communication between the conductor while in any car of any passenger train, and the engine driver;

And whereas Rule 16 of the General Train and Interlocking Rules provides for certain communicating signals, as prescribed therein;

And whereas Rule 25 of the said General Train and Interlocking Rules provides that—

Each car on a passenger train must be connected with the engine by a communicating signal appliance—

The Board Orders: That, in the event of any failure rendering the communicating signal on the locomotive of a passenger train inoperative, occurring while the train is en route, the train be taken to the first repair point with such facilities as are at hand; but at the first repair point repairs must be made, so that the communicating signal shall be made operative, as required by Section 298 (1) (a) of the Railway Act.

THOMAS VIEN.

Deputy Chief Commissioner.

GENERAL ORDER No. 481

In the matter of the application of the Railway Association of Canada for an Order amending paragraph (a) of Section 1903 of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight, so as to require the removal of "Explosives" and other "Dangerous" placards by the party unloading cars containing such traffic, and the optional use of a "Dangerous Empty" placard; and in the matter of the General Order of the Board No. 466, dated December 10, 1928, made herein.

File No. 1717.49

THURSDAY, the 3rd day of October, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. Hon. T. C. Norris, Commissioner.

Upon hearing the matter at the sittings of the Board held in Toronto, May 16, 1929, in the presence of representatives of the applicant, the Canadian Manufacturers' Association, Imperial Oil Limited, and the Bureau of Explosives, and what was alleged,—

The Board Orders:

1. That the provisions of paragraph 1903 (a) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight as set out in the said General Order No. 466, dated December 10, 1928, be, and they are kereby, authorized to be made effective on the 25th day of November, 1929.

2. That the said General Order No. 466 be amended by striking out the figures and letter "1912 (a)" in the second line of paragraph 2 of the Order

and substituting therefor the figures and letter "1912 (b)".

H. A. McKEOWN,

Chief Commissioner.

GENERAL ORDER No. 482

In the matter of the General Order of the Board No. 481, dated October 3, 1929, authorizing the provisions of paragraph 1903 (a) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight as set out in General Order No. 466, dated December 10, 1928, to be made effective on November 25, 1929.

File No. 1717.49.

Saturday, the 26th day of October, A.D. 1929.

Hon. H. A. McKeown, K.C., Chief Commissioner. Hon. T. C. Norris, Commissioner.

Upon reading the submissions filed on behalf of the Canadian Manufacturers' Association and the Imperial Oil Limited; and upon the report of its Assistant Chief Traffic Officer,—

The Board Orders: That, the provisions of paragraph 1903 (a) of the Regulations for the Transportation of Explosives and Other Dangerous Articles by Freight as set out in the said General Order No. 466, dated December 10, 1928, be, and they are hereby, authorized to be made effective on the 20th day of December, 1929; and that the said General Order No. 481 be amended by striking out paragraph 1 thereof.

H. A. McKEOWN,

Chief Commissioner.

CIRCULAR No. 222

March 6, 1929.

Less Than Standard Clearances

File No. 1750 · 18

I am directed to call the attention of railways subject to the Board's jurisdiction to subsection (c) of section 7 of General Order No. 236 reading as tollows:—

(c) No structure, except mail cranes, which shall be erected and maintained as directed by order of the Board No. 5647, dated November 20. 1908, over four feet high shall hereafter be placed within six feet from the gauge side of the nearest rail without first obtaining the approval of the Board.

By section 250 of the Railway Act, subsection (3), it is provided:—

(3) Except by leave of the Board, the space between the rail level and such beams, members of portions of any such structure, constructed after the first day of Fabruary, and thin hundred and four, shall in no case be less than twenty-two feet six inches.

The railways are asked to show cause why their siding agreements should not contain a clause specifically setting out the requirements as to both vertical and lateral clearances, as above stated.

The railways are also asked to show cause why there should not be arrangements made by them to call these requirements to the attention of those building, or intending to build, adjacent to spur lines of railways, so that the matter of clearances can be considered before the work is undertaken.

I am further directed to point out that the railways should advise those building, or intending to build, adjacent to their spur lines that it is only under exceptional conditions that application for restricted clearances will be

considered.

By order of the Board.

A. D. CARTWRIGHT,

Secretary.

For Circular No. 223 see General Order No. 479.

CIRCULAR No. 224

July 29, 1929.

Resuscitation from apparent death from electric shock

File 10247.

Attention is hereby directed to Circular No. 37, dated May 3, 1909, Circular No. 119, dated July 29, 1913, and Circular No. 179, dated June 23, 1919. issued by the Board relative to specific cases where persons were apparently killed by electric shock, and referring to the necessity of widespread public education in regard to the possibility of saving lives by means of artificial respiration.

The Resuscitation Rules have been recently reissued by the Canadian

National Safety League as Special Bulletin No. 28 B.

The Board directs your attention to this recent bulletin and the desirability of keeping "Resuscitation Rules" continually "posted" or exhibited, and also requests that it be advised within fifteen days as to what action has been taken by your organization.

By order of the Board.

A. D. CARTWRIGHT,

Secretary.

CIRCULAR No. 225

November 12, 1929.

Application for authorization to establish sidings with less than standard clearances

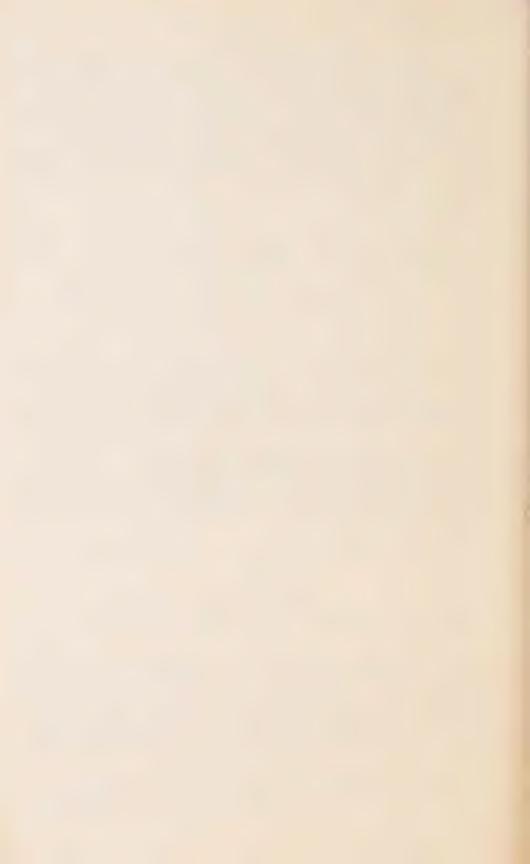
File 1750.18.

Railway companies subject to the jurisdiction of the Board are requested to show cause why the standard clearances ordered by the general orders of the Board should not be more strictly adhered to, why such railway companies should not be called upon in every application for less than standard clearances to give fuller particulars in connection with the reason why such standard clearance should be reduced, and to show cause why, when such application is made, it should not stand until an inspection has been made by an official of the Board.

By order of the Board.

A. D. CARTWRIGHT,

Secretary.



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